

PUBLIC CHAPTER NO. 1203**SENATE BILL NO. 4213****By Kyle, Henry, McNally, Burchett**

Substituted for: House Bill No. 4219

By Fitzhugh, Tindell, Shaw, Cooper

AN ACT to make appropriations for the purpose of defraying the expenses of the state government for the fiscal years beginning July 1, 2007, and July 1, 2008, in the administration, operation and maintenance of the legislative, executive and judicial branches of the various departments, institutions, offices and agencies of the state; for certain state aid and obligations; for capital outlay, for the service of the public debt, for emergency and contingency; to repeal certain appropriations and any acts inconsistent herewith; to provide provisional continuing appropriations; and to establish certain provisions, limitations and restrictions under which appropriations may be obligated and expended. This act makes appropriations for the purposes described above for the fiscal years beginning July 1, 2007, and July 1, 2008.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. That appropriations hereinafter set out are hereby made for the purpose of defraying the expenses of state government for the fiscal year beginning July 1, 2008, in the administration, operation and maintenance of the legislative, executive and judicial branches of the various departments, institutions, offices and agencies of the state, and for certain state aid and obligations and for capital outlay; for the service of the public debt, and for emergency and contingency, all according to the following schedule:

I. LEGISLATIVE		<u>2008-2009</u>
1.	Legislature	
1.1	General Assembly Support Services	\$ 7,448,100.00
1.2	General Assembly Committees	632,800.00
1.3	House of Representatives	16,715,900.00
1.4	State Senate	9,108,500.00
1.5	Legislative Administration Services	5,222,900.00
1.6	Tennessee Code Commission	69,600.00
	Total Legislature	\$ 39,197,800.00
2.	Fiscal Review Committee	1,340,700.00
	Total Title I	\$ 40,538,500.00

II. JUDICIAL

1.	Appellate and Trial Courts.....	\$ 56,125,500.00
2.	Supreme Court Buildings	2,621,500.00
3.	Child Support Referees	652,000.00
4.	Guardian ad Litem.....	4,047,500.00
5.	Indigent Defendants' Counsel	21,346,400.00
6.	Civil Legal Representation	3,327,900.00
7.	Verbatim Transcripts	4,245,600.00
8.	Tennessee State Law Libraries.....	574,800.00
9.	Judicial Programs and Commissions	663,700.00
10.	State Court Clerks' Conference.....	237,400.00
11.	Administrative Office of the Courts.....	11,933,000.00
12.	Appellate Court Clerks	678,000.00
13.	Board of Law Examiners	706,200.00
14.	Board of Professional Responsibility.....	2,371,800.00
15.	Tennessee Lawyers Assistance Program.....	367,900.00
16.	Continuing Legal Education	755,200.00
17.	Client Protection Fund.....	208,500.00
18.	Judicial Conference.....	300,000.00
19.	Council of Juvenile and Family Court Judges	101,600.00
	Total Title II	\$ 111,264,500.00

III. EXECUTIVE

1. Constitutional and Quasi-Judicial Offices

1.	Attorney General and Reporter	
1.1	Attorney General and Reporter	\$ 23,998,000.00
1.2	Publication of Tennessee Reports.....	160,300.00
1.3	Special Litigation	289,100.00
	Total Attorney General and Reporter	\$ 24,447,400.00
2.	District Attorneys General Conference	
2.1	District Attorneys General.....	\$ 66,956,400.00
2.2	District Attorneys General Conference	480,900.00
2.3	Executive Director	1,522,500.00
	Total District Attorneys General Conference	\$ 68,959,800.00
3.	Secretary of State	
3.1	Secretary of State.....	\$ 10,399,700.00
3.2	State Election Commission.....	1,695,100.00
3.3	Public Documents.....	397,400.00
3.4	State Library and Archives	9,026,000.00
3.5	Regional Library System	7,699,800.00
3.6	Registry of Election Finance.....	585,500.00
3.7	Economic Council on Women	196,700.00
3.8	Charitable Solicitations and Charitable Gaming	406,200.00
3.9	Ethics Commission	375,600.00

	Total Secretary of State.....	\$ 30,782,000.00
4.	District Public Defenders Conference	
4.1	District Public Defenders	\$ 33,385,000.00
4.2	Executive Director	1,567,600.00
4.3	Shelby County Public Defender.....	3,106,100.00
4.4	Davidson County Public Defender.....	1,588,500.00
	Total District Public Defenders Conference.....	\$ 39,647,200.00
5.	Comptroller of the Treasury	
5.1	Division of Administration	\$ 1,069,700.00
5.2	Office of Management Services	10,838,300.00
5.3	Division of State Audit	11,577,500.00
5.4	Division of County Audit	7,647,300.00
5.5	Division of Municipal Audit.....	2,136,800.00
5.6	Division of Bond Finance.....	537,000.00
5.7	Office of Local Government.....	369,900.00
5.8	Division of Property Assessments	10,206,900.00
5.9	Tax Relief	21,800,000.00
5.10	State Board of Equalization	2,973,400.00
5.11	Division of Local Finance.....	439,500.00
5.12	Offices of Research and Education Accountability	1,726,100.00
5.13	Office of State Assessed Properties	1,210,700.00
5.14	Telecommunications Ad Valorem Tax Equity Payments	14,327,900.00
	Total Comptroller of the Treasury.....	\$ 86,861,000.00
6.	Office of the Post-Conviction Defender	\$ 1,955,100.00
7.	Treasury Department	
7.1	Treasury Department.....	\$ 91,300.00
7.2	Certified Public Administrators	534,200.00
	Total Treasury Department.....	\$ 625,500.00
8.	Claims and Compensation	
8.1	Criminal Injuries Compensation.....	\$ 10,260,000.00
	Total Claims and Compensation	\$ 10,260,000.00
	Total Title III-1	\$ 263,538,000.00

The appropriation made under Title III-1, Item 8, may be increased or decreased as realized receipts of the Criminal Injuries Compensation Fund justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51. To the extent that receipts of the fund are insufficient to meet the fund's expenditure requirements, there is hereby appropriated a sum sufficient to support such expenditures.

2. Executive Offices

1.	Executive Department	
1.1	Governor's Office.....	\$ 4,666,300.00

	Total Executive Department	\$ 4,666,300.00
2.	Commissions	
2.1	Commission on Children and Youth	\$ 2,135,200.00
2.2	Commission on Aging and Disability	9,652,200.00
2.3	Human Rights Commission	1,686,200.00
2.4	Health Services and Development Agency	1,246,400.00
2.5	Corrections Institute.....	1,019,600.00
2.6	Tennessee Regulatory Authority	8,781,400.00
2.7	Advisory Commission on Intergovernmental Relations	266,000.00
2.8	Arts Commission	5,781,400.00
2.9	State Museum	3,865,900.00
2.10	Tennessee Housing Development Agency	350,000.00
	Total Commissions	\$ 34,784,300.00
3.	Department of Finance and Administration	
3.1	Division of Administration	\$ 1,573,200.00
3.2	Division of Budget.....	3,658,000.00
3.3	Office for Information Resources.....	2,275,000.00
3.4	Criminal Justice Programs.....	8,500,300.00
3.5	Resource Development and Support	1,727,300.00
3.6	Real Property Administration.....	3,761,400.00
3.7	Volunteer Tennessee	238,600.00
3.8	State Health Planning Division	1,456,000.00
3.9	Enterprise Resource Planning.....	13,000,000.00
3.10	Governor's Office of State Planning and Policy.....	1,253,700.00
	Total Department of Finance and Administration	\$ 37,443,500.00
4.	Department of Human Resources	
4.1	Executive Administration	\$ 2,210,500.00
4.2	Human Resource Development	1,242,400.00
4.3	Technical Services	2,319,500.00
	Total Department of Human Resources	\$ 5,772,400.00
5.	Department of General Services	
5.1	Administration.....	\$ 549,500.00
5.2	Property Management	1,531,300.00
5.3	Printing and Media Services.....	307,200.00
5.4	Purchasing.....	22,000.00
	Total Department of General Services	\$ 2,410,000.00
6.	Department of Veterans Affairs	\$ 4,740,200.00
	Total Title III-2.....	\$ 89,816,700.00
3.	Department of Agriculture	
1.	Administration and Grants.....	\$ 9,713,400.00
2.	Regulatory Services	13,842,300.00
3.	Market Development	26,958,200.00

4.	Forestry Operations.....	29,273,000.00
5.	Forestry Maintenance.....	158,500.00
6.	Certified Cotton Growers' Organization Fund.....	6,540,000.00
7.	Agricultural Regulatory Fund.....	2,354,400.00
8.	Agricultural Resources Conservation Fund.....	5,625,000.00

Total Title III-3.....\$ 94,464,800.00

4. Department of Tourist Development

1.	Administration and Marketing.....	\$ 12,276,700.00
2.	Welcome Centers.....	1,500,000.00

Total Title III-4.....\$ 13,776,700.00

5. Department of Environment and Conservation

1.	Administrative Services	\$ 6,271,900.00
2.	Recreation Educational Services	800,400.00
3.	Historical Commission	2,156,100.00
4.	Archaeology	785,300.00
5.	Geology	1,186,600.00
6.	Tennessee State Parks	44,752,500.00
7.	Natural Areas	929,300.00
8.	State Parks Maintenance	2,214,100.00
9.	Maintenance of Historic Sites	285,000.00
10.	West Tennessee River Basin Authority	1,149,200.00
11.	Environment Administration	1,756,800.00
12.	Used Oil Collection Program	1,318,000.00
13.	Tennessee Dry Cleaners Environmental Response Fund	2,520,000.00
14.	Air Pollution Control.....	1,324,100.00
15.	Radiological Health	759,700.00
16.	Water Pollution Control	12,817,200.00
17.	Solid Waste Management	2,002,300.00
18.	Abandoned Lands	500,000.00
19.	Hazardous Waste Remedial Action Fund	1,076,100.00
20.	Water Supply	2,999,200.00
21.	Groundwater Protection	4,675,400.00
22.	Underground Storage Tanks	22,485,800.00
23.	Solid Waste Assistance	9,486,900.00
24.	Environmental Protection Fund	48,008,800.00
25.	Clean Water and Drinking Water State Revolving Fund	5,253,400.00
26.	West Tennessee River Basin Authority Maintenance	1,215,300.00
27.	Local Parks Acquisition Fund	6,561,300.00
28.	State Lands Acquisition Fund.....	5,625,000.00
29.	Fleming Training Center.....	624,300.00
30.	Office of Environmental Assistance.....	951,600.00
31.	Tennessee Heritage Conservation Trust Fund	10,100,000.00
32.	Conservation Compensation Fund.....	42,000.00

Total Title III-5.....\$ 202,633,600.00

6. Wildlife Resources Agency

1.	Wildlife Resources Agency.....	\$ 37,202,300.00
2.	Boating Safety.....	5,450,200.00
3.	Wetlands Compensation Fund.....	400,000.00
4.	Wetlands Acquisition Fund.....	11,788,700.00
	Total Title III-6.....	\$ 54,841,200.00

The appropriation made under Title III-6 may be increased or decreased as realized receipts of the Wildlife Resources Fund justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

7. Department of Correction

1.	Administration	\$ 15,997,300.00
2.	State Prosecutions	137,475,800.00
3.	Correction Academy.....	5,423,200.00
4.	Wayne County Boot Camp.....	10,752,200.00
5.	Brushy Mountain Correctional Complex.....	8,734,500.00
6.	Tennessee Prison for Women.....	20,881,200.00
7.	Turney Center Industrial Prison and Farm	26,534,500.00
8.	Mark Luttrell Correctional Facility	13,500,200.00
9.	Charles B. Bass Correctional Complex.....	28,160,300.00
10.	Southeastern Tennessee State Regional Correctional Facility	22,023,100.00
11.	Major Maintenance.....	4,042,000.00
12.	West Tennessee State Penitentiary	53,493,700.00
13.	Riverbend Maximum Security Institution.....	24,469,500.00
14.	Northeast Correctional Complex	37,922,700.00
15.	South Central Correctional Center	25,460,600.00
16.	Northwest Correctional Complex.....	47,234,900.00
17.	Lois M. DeBerry Special Needs Facility	35,542,900.00
18.	Hardeman County Incarceration Agreement.....	35,383,300.00
19.	Sentencing Act of 1985	44,444,200.00
20.	Sex Offender Treatment Program	133,900.00
21.	Hardeman County Agreement – Whiteville	28,026,500.00
22.	Morgan County Correctional Complex	48,215,600.00
	Total Title III-7	\$ 673,852,100.00

8. Department of Economic and Community Development

1.	Administrative Services	\$ 6,113,600.00
2.	Business Development.....	9,707,700.00
3.	Business Services	302,500.00
4.	FastTrack Infrastructure and Job Training Assistance	40,895,000.00
5.	Community Development	6,167,500.00
6.	Energy Division	34,800.00
7.	Regional Grants Management	1,187,200.00

8.	Economic Development District Grants.....	1,350,100.00
	Total Title III-8.....	\$ 65,758,400.00
9.	Department of Education	
1.	Administrative Services	
1.1	Administration.....	\$ 9,273,200.00
1.2	State Board of Education.....	928,900.00
1.3	Governor's Books from Birth Fund	3,943,500.00
	Total Administrative Services	\$ 14,145,600.00
2.	Kindergarten, Elementary and Secondary	
2.1	State Programs	
a.	Curriculum and Instruction.....	\$ 4,794,600.00
b.	Career Ladder	74,419,200.00
c.	BEP and Other LEA Support	3,694,796,300.00
d.	Driver Education	1,700,000.00
e.	Training and Professional Development.....	9,321,100.00
f.	Grants-In-Aid	7,643,900.00
g.	Technology, Infrastructure, and Support Systems	2,826,300.00
h.	Accountability and Assessment.....	27,952,800.00
i.	Early Childhood Education	84,649,500.00
	Subtotal State Programs	\$ 3,908,103,700.00
2.2	Federally Funded and Supported Programs	
a.	Improving Schools Program	\$ 16,454,300.00
b.	School Nutrition Programs.....	4,806,700.00
c.	Special Education Services	691,600.00
d.	Tennessee Early Intervention Services	21,906,500.00
	Subtotal Federally Funded and Supported Programs	\$ 43,859,100.00
2.3	Lottery-Funded Programs	
a.	After-School Programs Special Account	\$ 12,900,000.00
	Subtotal Lottery-Funded Programs	\$ 12,900,000.00
	Total Kindergarten, Elementary and Secondary.....	\$ 3,964,862,800.00
3.	Career and Technical Education Programs	\$ 4,073,600.00
4.	Special Schools	
4.1	Alvin C. York Institute	\$ 5,486,600.00
4.2	Tennessee School for the Blind.....	10,996,100.00
4.3	Tennessee School for the Deaf	14,834,500.00
4.4	West Tennessee School for the Deaf.....	2,657,000.00
4.5	Governor's Institute for Science and Math.....	1,850,000.00
4.6	Major Maintenance	239,100.00
	Total Special Schools	\$ 36,063,300.00
	Total Title III-9.....	\$ 4,019,145,300.00

10. Higher Education

1.	Administration and Support Services		
1.1	Tennessee Higher Education Commission	\$	2,381,500.00
1.2	Contract Education		2,542,700.00
1.3	Tennessee Student Assistance Awards		56,108,500.00
1.4	Tennessee Student Assistance Corporation		2,937,400.00
1.5	Loan/Scholarship Programs		1,191,000.00
1.6	Foreign Language Institute		372,200.00
1.7	THEC Grants		2,715,900.00
	Total Administration and Support Services.	\$	68,249,200.00
2.	Excellence Initiatives		
2.1	Academic Scholars Program	\$	401,800.00
2.2	Centers of Excellence		19,948,100.00
2.3	Campus Centers of Emphasis		1,450,200.00
	Total Excellence Initiatives	\$	21,800,100.00
3.	University of Tennessee System		
3.1	Administrative and Other Services		
	a. UT University-Wide Administration	\$	4,745,900.00
	b. UT Institute for Public Service		5,062,200.00
	c. UT Municipal Technical Advisory Service		2,825,900.00
	d. UT County Technical Assistance Service		1,666,500.00
	e. UT Access and Diversity Initiative		6,448,900.00
	f. UT Space Institute		8,430,200.00
	g. UT Research Initiatives		12,100,000.00
	Subtotal Administrative and Other Services	\$	41,279,600.00
3.2	Agricultural Services		
	a. UT Agricultural Experiment Station	\$	25,610,400.00
	b. UT Agricultural Extension Service		30,683,400.00
	c. UT Veterinary Medicine		17,125,800.00
	Subtotal Agricultural Services	\$	73,419,600.00
3.3	Medical Education		
	a. UT Health Science Center	\$	76,800,500.00
	b. UT Family Medicine		10,449,800.00
	c. UT College of Medicine		50,870,500.00
	Subtotal Medical Education	\$	138,120,800.00
3.4	University Campuses		
	a. UT Chattanooga	\$	46,804,400.00
	b. UT Knoxville		198,737,500.00
	c. UT Martin		33,772,600.00
	Subtotal University Campuses	\$	279,314,500.00
	Total University of Tennessee System	\$	532,134,500.00

4.	Tennessee Board of Regents System		
4.1	Administration and Other Services		
	a. Tennessee Board of Regents	\$	5,566,100.00
	b. Regents Access and Diversity Initiative		11,391,100.00
	Subtotal Administration and Other Services	\$	16,957,200.00
4.2	Medical Education		
	a. ETSU College of Medicine	\$	29,683,500.00
	b. ETSU Family Practice		5,872,600.00
	Subtotal Medical Education	\$	35,556,100.00
4.3	Regional Universities		
	a. Austin Peay State University	\$	36,812,300.00
	b. East Tennessee State University		64,121,500.00
	c. University of Memphis		125,280,500.00
	d. Middle Tennessee State University		102,510,500.00
	e. Tennessee State University		43,412,300.00
	f. Tennessee Technological University		49,961,800.00
	Subtotal Regional Universities	\$	422,098,900.00
4.4	Community Colleges		
	a. Southwest Tennessee Community College	\$	40,653,400.00
	b. Nashville State Technical Community College		16,575,500.00
	c. Pellissippi State Technical Community College		22,336,400.00
	d. Northeast State Technical Community College		13,373,800.00
	e. Chattanooga State Technical Community College		25,419,400.00
	f. Cleveland State Community College		10,980,100.00
	g. Columbia State Community College		14,232,600.00
	h. Dyersburg State Community College		7,706,500.00
	i. Jackson State Community College		13,308,000.00
	j. Motlow State Community College		11,084,200.00
	k. Roane State Community College		19,362,900.00
	l. Volunteer State Community College		19,481,200.00
	m. Walters State Community College		19,651,300.00
	Subtotal Community Colleges	\$	234,165,300.00
4.5	Tennessee Technology Centers	\$	54,385,000.00
4.6	Agricultural Centers		
	a. TSU McMinnville Center	\$	545,800.00
	b. TSU Institute of Agricultural and Environmental Research		2,173,000.00
	c. TSU Cooperative Education		1,927,000.00
	Subtotal Agricultural Centers	\$	4,645,800.00
	Total Tennessee Board of Regents System	\$	767,808,300.00
5.	Lottery-Funded Programs		
5.1	Lottery for Education Account	\$	290,400,000.00
	Total Lottery-Funded Programs	\$	290,400,000.00

Total Title III-10\$ 1,680,392,100.00

11. Department of Commerce and Insurance

1.	Administration	\$ 3,600.00
2.	Consumer Affairs.....	862,600.00
3.	Fire Fighting Personnel Standards and Education	3,704,700.00
4.	911 Emergency Communications Fund	49,208,700.00
5.	Regulatory Boards.....	18,478,400.00
5.1	Real Estate Education and Recovery Fund.....	292,100.00
5.2	Auctioneer Education and Recovery Fund	81,400.00
6.	Fire Service and Codes Enforcement Academy	3,737,300.00
7.	Fire Prevention	89,600.00
8.	Tennessee Law Enforcement Training Academy.....	2,939,900.00
9.	POST Commission.....	8,184,600.00
10.	Cemetery Consumer Protection Fund.....	360,000.00

Total Title III-11\$ 87,942,900.00

12. Department of Financial Institutions\$ 8,203,700.00

Total Title III-12\$ 8,203,700.00

The appropriation made under Title III-12 may be increased or decreased as realized receipts justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

13. Department of Labor and Workforce Development

1.	Administration.....	\$ 3,248,000.00
2.	Tennessee Occupational Safety and Health Administration (TOSHA)	5,000,900.00
3.	Workers' Compensation	14,408,200.00
4.	Mines.....	409,200.00
5.	Labor Standards.....	1,226,000.00
6.	Second Injury Fund	15,096,200.00
7.	Adult Basic Education	3,735,100.00

Total Title III-13.....\$ 43,123,600.00

14. Department of Mental Health and Developmental Disabilities

1.	Administration	
1.1	Administrative Services Division.....	\$ 13,661,700.00
	Total Administration.....	\$ 13,661,700.00
2.	Mental Health Services	
2.1	Lakeshore Mental Health Institute	\$ 17,075,200.00
2.2	Middle Tennessee Mental Health Institute	22,629,300.00
2.3	Western Mental Health Institute	19,416,600.00
2.4	Moccasin Bend Mental Health Institute	13,467,300.00

2.5	Memphis Mental Health Institute	15,859,500.00
2.6	Community Mental Health Services	61,739,800.00
2.7	Major Maintenance	450,000.00
	Total Mental Health Services.....\$	150,637,700.00
3.	Alcohol and Drug Abuse Services	
3.1	Community Alcohol and Drug Abuse Services.....\$	14,799,800.00
	Total Alcohol and Drug Abuse Services	14,799,800.00
	Total Title III-14	\$ 179,099,200.00
15.	Department of Military	
1.	Administration.....\$	2,926,400.00
2.	Army National Guard.....	2,471,900.00
3.	Air National Guard.....	2,953,200.00
4.	Tennessee Emergency Management Agency	4,092,000.00
5.	Armories Maintenance	736,600.00
6.	Armories Utilities	2,416,200.00
	Total Title III-15	\$ 15,596,300.00
16.	Department of Health	
1.	Administration	
1.1	Executive Administration	7,414,100.00
1.2	Administrative Services	3,284,500.00
1.3	Office for Information Technology Services.....	5,650,700.00
1.4	Policy Planning and Assessment	5,104,200.00
	Total Administration.....\$	21,453,500.00
2.	Manpower Resources and Facilities	
2.1	Bureau of Health Licensure and Regulation.....\$	8,067,400.00
2.2	Emergency Medical Services	732,800.00
2.3	Laboratory Services.....	8,663,300.00
2.4	Health Related Boards	13,534,600.00
2.5	Trauma System Fund	9,907,000.00
	Total Manpower Resources and Facilities.....\$	40,905,100.00
3.	Community Health Services	
3.1	Health Services Administration.....\$	20,329,600.00
3.2	General Environmental Health	11,870,800.00
3.3	Maternal and Child Health	2,939,200.00
3.4	Communicable and Environmental Disease Services	13,567,300.00
3.5	Community and Medical Services	24,794,300.00
3.6	Diabetes Prevention and Health Improvement.....	7,005,000.00
	Total Community Health Services	\$ 80,506,200.00
4.	Local Health Services.....\$	62,155,400.00
	Total Title III-16	\$ 205,020,200.00

17.	Department of Human Services		
1.	Administration		
1.1	Administration.....	\$	20,586,700.00
1.2	Field Operations		7,262,600.00
1.3	County Rentals		5,647,700.00
1.4	Appeals and Hearings		3,321,800.00
	Total Administration.....	\$	36,818,800.00
2.	Family Assistance Services		
2.1	Child Support.....	\$	19,317,000.00
2.2	Family Assistance Services.....		74,663,200.00
2.3	Temporary Cash Assistance		19,459,100.00
2.4	Child Care Benefits.....		19,066,600.00
	Total Family Assistance Services.....	\$	132,505,900.00
3.	Social Services		
3.1	Community Services.....	\$	3,072,400.00
	Total Social Services	\$	3,072,400.00
4.	Rehabilitative Services		
4.1	Vocational Rehabilitation	\$	11,089,600.00
	Total Rehabilitative Services	\$	11,089,600.00
	Total Title III-17	\$	183,486,700.00
18.	Department of Revenue		
1.	Administration Division	\$	7,798,200.00
2.	Tax Enforcement Division		7,083,500.00
3.	Information Technology Resources Division		17,002,300.00
4.	Taxpayer and Vehicle Services Division		25,413,300.00
5.	Processing Division		7,712,900.00
6.	Audit Division		20,884,200.00
7.	CID Anti-Theft Unit		1,082,200.00
	Total Title III-18.....	\$	86,976,600.00
19.	Tennessee Bureau of Investigation	\$	40,197,400.00
	Total Title III-19.....	\$	40,197,400.00
20.	Department of Safety		
1.	Administration.....	\$	8,658,300.00
2.	Driver License Issuance		10,695,300.00
3.	Highway Patrol		89,441,000.00
4.	Motorcycle Rider Education		206,700.00
5.	Motor Vehicle Operations.....		9,513,600.00

6.	Driver Education.....	271,600.00
7.	Office of Homeland Security.....	1,815,800.00
8.	Major Maintenance.....	199,600.00
9.	Technical Services	2,888,900.00

Total Title III-20.....\$ 123,690,800.00

21. Cover Tennessee Health Care Programs

1.	CoverTN.....	\$ 12,369,800.00
2.	AccessTN.....	23,049,200.00
3.	CoverKids.....	28,956,100.00
4.	CoverRx	8,688,500.00

Total Title III-21.....\$ 73,063,600.00

22. Miscellaneous Appropriations

1.	State Employees' Unemployment Compensation, Sick Leave, Death Benefit Payments and Terminal Leave Payments.....	\$ 200,000.00
2.	Consolidated Retirement System	
2.1	Former Governors and Widows of Former Governors – Pensions	330,000.00
3.	Insurance – Retirees	
3.1	Retirees Health Insurance	10,900,000.00
3.2	Retired Teachers Insurance	16,500,000.00
3.3	Basic Term and Accidental Death Insurance	450,000.00
4.	Attorney's Fees – Civil Rights Cases	500,000.00
5.	Special Election Reimbursement to Counties	300,000.00
6.	Disaster Relief Grants	2,000,000.00
7.	Homeland Security Emergency Fund.....	1,100,000.00
8.	Criminal Justice Programs	1,131,400.00
9.	Tennessee Association of Rescue Squads.....	71,300.00
10.	Volunteer Rescue Squad – \$25,000 Death Benefit.....	25,000.00
11.	YMCA Youth Legislature	25,000.00
12.	YMCA Community Action Program	350,000.00
13.	Forensic Center at Quillen College of Medicine	100,000.00
14.	Salary Plan – Base Appropriation	145,400.00
15.	State Employee Classification Compensation.....	51,500.00
16.	Higher Education – Professional Privilege Tax Payments	450,000.00
17.	Deferred Compensation – 401K match – State Employees.....	6,697,000.00
18.	Group Health Insurance Premium – 1/1/08	14,500,000.00
19.	Group Health Insurance Premium – 1/1/09.....	11,300,000.00
20.	Intergovernmental Conference Dues	513,900.00
21.	UT CBER – Research Assistance.....	125,000.00

22. UT CBER – State Census Data Center

22.1	State Census Data Center	40,000.00
22.2	Population and Demographics Forecasting	278,000.00
23.	MVM – DUI Vehicle Confiscation Program	720,000.00
24.	MVM – Purchase of New Vehicles	3,500,000.00
25.	Risk Management Premiums	1,830,000.00
26.	Statewide Rate Adjustments	
26.1	Rent Adjustments	1,500,900.00
26.2	Meal and Lodging Rate Increase.....	530,000.00
27.	Cook-Chill Program	433,800.00
28.	Facilities Revolving Fund	
28.1	Special Facilities	1,600,000.00
29.	State Veterans Home Board – Operational Support	1,500,000.00
30.	State Veterans Homes – Annual Inspection.....	200,000.00
31.	State Agencies	
31.1	Data Center Equipment	7,800,000.00
31.2	E-mail Archive	160,000.00
32.	State Legislative Leaders Foundation	75,000.00
33.	Fisk University – Match	500,000.00
Total Title III-22		\$ 88,433,200.00

23. Department of Children's Services

1.	Administration.....	\$ 32,051,100.00
2.	Family Support Services	26,296,800.00
3.	Custody Services	88,521,300.00
4.	Adoption Services	35,017,200.00
5.	Child and Family Management.....	89,563,300.00
6.	John S. Wilder Youth Development Center.....	11,992,800.00
7.	Taft Youth Development Center	13,896,900.00
8.	Woodland Hills Youth Development Center	12,635,500.00
9.	Mountain View Youth Development Center	12,757,300.00
10.	New Visions Youth Development Center	3,966,900.00
11.	Community Treatment Facilities	7,258,800.00
12.	Major Maintenance.....	420,100.00
13.	Needs Assessment	6,912,500.00
Total Title III-23		\$ 341,290,500.00

24. Board of Probation and Parole

1.	Probation and Parole Services.....	\$ 70,358,000.00
2.	Community Corrections.....	11,944,000.00

Total Title III-24.....\$ 82,302,000.00

25. Department of Finance and Administration – Mental Retardation

1.	Mental Retardation Administration	\$ 3,872,200.00
2.	Developmental Disabilities Council	215,200.00
3.	Community Mental Retardation Services	57,333,700.00
4.	West Tennessee Regional Office	2,601,600.00
5.	Middle Tennessee Regional Office	1,878,200.00
6.	East Tennessee Regional Office	2,242,800.00
7.	Arlington Developmental Center	1,755,000.00
8.	Clover Bottom Developmental Center	8,913,700.00
9.	Greene Valley Developmental Center	1,401,100.00
10.	Major Maintenance	300,000.00

Total Title III-25.....\$ 80,513,500.00

26. Department of Finance and Administration – TennCare Program

1.	TennCare Administration.....	\$ 120,060,300.00
2.	TennCare Services.....	1,734,446,500.00
3.	Waiver and Crossover Services	400,629,400.00
4.	Long Term Care Services	418,555,100.00
5.	Governor's Office of Children's Care Coordination	5,872,600.00

Total Title III-26.....\$2,679,563,900.00

27. Emergency and Contingency Fund

Total Title III-27

The Emergency and Contingency Fund may be used for any purpose authorized by law to be allowed on Executive Order of the Governor; provided, however, the Emergency and Contingency Fund shall not be used to fund any law requiring the expenditure of state funds unless an appropriation is made elsewhere for the estimated first year's funding.

28. State Building Commission

1.	Major Maintenance and Equipment.....	\$ 250,000.00
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Total Title III-28.....\$ 250,000.00

29. Facilities Revolving Fund

1.	General Services Operating Maintenance	\$ 5,917,200.00
2.	Facilities Management	6,047,600.00

Total Title III-29.....\$ 11,964,800.00

30. Department of Transportation

There is hereby appropriated for the use of the Department of Transportation such receipts of highway revenues as are now provided by law, or may hereafter be so provided, to accrue to that department during the fiscal year, beginning July 1, 2008, to be expended by the Commissioner of Transportation, all according to the following schedule:

		<u>2008-2009</u>
1.	Administration	
1.1	Headquarters.....	\$ 16,953,000.00
1.2	Bureau of Administration	44,946,000.00
1.3	Bureau of Engineering.....	24,790,000.00
1.4	Field Engineering.....	49,091,000.00
1.5	Insurance Premiums.....	10,000,000.00
1.6	Bureau of Environment and Planning.....	9,976,000.00
	Total Administration.....	\$ 155,756,000.00
2.	Equipment Purchases and Operations.....	\$ 35,806,000.00
3.	Highway Maintenance	\$ 316,723,000.00
4.	State Construction	
4.1	Highway Betterments	\$ 10,000,000.00
4.2	State Aid.....	31,622,000.00
4.3	State Industrial Access	24,000,000.00
4.4	Local Interstate Connectors.....	5,000,000.00
4.5	Capital Improvements.....	7,200,000.00
	Total State Construction	\$ 77,822,000.00
5.	Federal Construction	
5.1	Mass Transit.....	\$ 42,813,000.00
5.2	Planning and Research	5,500,000.00
5.3	Interstate Construction	14,800,000.00
5.4	Forest Highways.....	200,000.00
5.5	State Highway Construction	170,280,000.00
5.6	Bridge Replacement.....	19,500,000.00
5.7	Air, Water, and Rail Transportation	53,000,000.00
	Total Federal Construction	\$ 306,093,000.00
	Total Title III-30	\$ 892,200,000.00

Said funds so appropriated shall be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51. There is further appropriated to the Department of Transportation such departmental revenue, expressly including federal matching funds, as may accrue to the department.

The "Proposed Highway Program for Fiscal Year 2008-2009", prepared by the Department of Transportation as a supplement to and as "Supporting Data for the Budget Request", is hereby incorporated into and made a part of the Appropriations Act.

Whenever a determination is made that one or more of the projects in the approved program cannot be proceeded with, the Commissioner of Transportation shall furnish, in written form as prescribed by the Chairmen of the Finance, Ways and Means Committees of the Senate and House and the Chairmen of the Transportation Committees of the Senate and House, the reasons for such proposed cancellation or rescheduling of said project, together with a recommendation for a substitute project. The notice of cancellation or rescheduling of said project shall be submitted to the Speaker of the Senate, the Speaker of the House of Representatives, the Chairmen of the Finance, Ways and Means Committees of the Senate and House, the Chairmen of the Transportation Committees of the Senate and House and to the individual Senator and Representative in whose districts the canceled project or proposed substitution is located.

From the funds appropriated above in Item 4.2, State Aid, the sum of \$9,540,000 is allocated for the purpose of funding the state's eighty percent (80%) share of the project cost of the 1990 Bridge Grant Program. For the fiscal 2008-2009 budget, the state shall fund an eighty percent (80%) share of this program and local governments shall be responsible for funding the remaining twenty percent (20%), as set forth in Tennessee Code Annotated, Title 54, Chapter 4, Part 5.

For the fiscal year beginning July 1, 2008, the Commissioner of Transportation shall distribute this money among the ninety-five (95) county geographical areas of the state according to the following formula:

One-half of the funds shall be distributed equally, and one-half shall be distributed on the basis of structural needs. Structural needs shall be determined by calculating the ratio of linear feet of bridges with a load rating of less than ten tons, in each county geographical area, located on public roads other than those on a federal-aid system or the state system of highways, to the total linear feet of like bridges in the state.

31. State Funding Board

There is hereby appropriated to the State Funding Board for interest and reduction of the state debt, for debt service expense and interest on proposed bond authorization:

		<u>2008-2009</u>
1.	Interest on State Debt	\$ 41,925,000.00
2.	Retirement of Bonds.....	77,584,000.00
3.	Debt Service Expense.....	1,000,000.00
4.	Amortization of Authorized and Unissued Construction Bonds	100,180,000.00
5.	Amortization of Authorized and Unissued Highway Bonds	88,700,000.00
6.	Amortization of Bonds Issued – November 2007	11,800,000.00
	Total Title III-31	\$ 321,189,000.00

The appropriation made under Section 1, Title III-31, Items 1, 2, 3, 4, 5, and 6, is made under the provisions of Tennessee Code Annotated, Title 9, Chapter 9, and may be increased to such amounts as will be necessary to carry out such provisions.

32. Capital Outlay

There is hereby appropriated to each of the departments and agencies enumerated herein, funds for major maintenance, equipment, construction and acquisition of land, and for expansion, improvement, betterments and repairs to existing structures. The Commissioner of Finance and Administration is hereby authorized to transfer the amounts herein appropriated to the Capital Projects Fund for the use of the said departments and agencies.

1.	Department of Education.....	\$ 2,160,000.00
2.	Department of Environment and Conservation	1,775,000.00
3.	Department of Finance and Administration	2,000,000.00
4.	Department of Finance and Administration – Mental Retardation....	11,400,000.00
5.	Department of Military	1,400,000.00
6.	Tennessee Board of Regents.....	9,230,000.00
7.	University of Tennessee.....	6,744,000.00
8.	Department of Finance and Administration – Statewide Capital Maintenance.....	17,491,000.00
Total Title III-32.....		\$ 52,200,000.00

Said funds herein appropriated shall be used solely for improvements, betterments, and additions to state structures and for the acquisition of additional land and space, including the purchase of existing structures and grants, as described or referred to above and as approved by the State Building Commission; provided, further, that such funds as are appropriated herein shall be utilized to finance only those projects, improvements, betterments, or additions which are presented in the State of Tennessee's 2008-2009 Budget Document, as amended by any changes or additional projects contained in the Appropriations Act as passed on third and final consideration; provided, further, that all funds appropriated in this act or other general acts of this session for capital outlay shall be subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 15, Part 1, and further expressly providing for the making of grants to governmental entities. Such grants so identified and approved are determined to be for a public purpose.

33. Capital Outlay - Sinking Fund

There is hereby appropriated for the fiscal year beginning July 1, 2008, to the Sinking Fund from the receipts of the tax levied by Tennessee Code Annotated, Title 67, Chapter 4, Part 20, "The Excise Tax Law", an amount to be determined by the State Funding Board.

SECTION 2. Capital Outlay and Major Maintenance

Item 1. Any funds appropriated by this General Assembly for capital outlay, capital maintenance and major maintenance shall not revert to the general fund but shall remain available until expended. It is the intent of the

General Assembly that funds of capital outlay nature shall remain available until expended for the purpose for which the appropriations were made.

In the fiscal years ending June 30, 2008, and June 30, 2009, the carry-forward and reappropriation of unexpended appropriations for major maintenance shall be subject to approval by the Commissioner of Finance and Administration based upon the availability of revenues and reserves in the general fund at June 30, 2008, and June 30, 2009.

Item 2. Any unexpended capital outlay or capital maintenance funds appropriated by previous General Assemblies for completed or discontinued projects shall be accumulated in a capital account to be administered by the Department of Finance and Administration. Expenditure of these funds is subject to approval by the State Building Commission upon recommendation by the Commissioner of Finance and Administration of each project to be provided for from said funds.

Item 3. From the appropriations made to the State Funding Board in Section 1, Title III-31, the Funding Board is hereby authorized to allocate and provide to the Capital Projects Fund such funds not required for debt service during fiscal year 2008-2009 for projects duly authorized and approved by the General Assembly; provided, however, that when the Funding Board allocates funds under this provision, any other appropriation or bond authorization for said purpose is hereby reduced accordingly.

Item 4. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration, with the approval of the State Building Commission, is authorized to charge the administrative costs of the construction programs to the capital outlay appropriations or to transfer from the Capital Projects Fund to the general fund an amount sufficient to cover those costs. Such expenditures shall be from non-bond proceeds.

Item 5. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of design and engineering positions to the capital outlay appropriations or to transfer from the Capital Projects Fund to the general fund an amount sufficient to cover these costs. This item is subject to approval by the State Building Commission.

Item 6. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration, with the approval of the State Building Commission, is authorized to transfer the appropriations for capital outlay to the Department of Finance and Administration to provide for the centralized administration of capital outlay. It is further the legislative intent to allow for centralized administration of any project recommended by the Commissioner of Finance and Administration and approved by the State Building Commission.

Item 7. To the extent that the accumulated yearly interest and earnings of the Natural Resources Trust Fund are available through June 30, 2008, said

funds are hereby appropriated to the Department of Environment and Conservation to be available for projects which are reviewed and evaluated under procedures established by the authority of Tennessee Code Annotated, Section 11-14-308.

Item 8. There is hereby appropriated to the Department of Mental Health and Developmental Disabilities the proceeds from the sale of any real property and facilities being used by the department. The appropriation shall be available to fund the department's master plan for facilities subject to approval by the State Building Commission.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary.

Item 9. There is hereby appropriated to the Department of Military the proceeds from the sale of any real property and facilities being used by the department. The appropriation shall be available to fund replacement facilities for the department subject to approval by the State Building Commission.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary.

Item 10. Other provisions of the law to the contrary notwithstanding, any proceeds from the sale of surplus land and real property in Davidson County are hereby reappropriated to the Department of Finance and Administration to provide for the state's office space and support facilities requirements in Davidson County.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary. Any reappropriation made pursuant to the provisions of this item is subject to the approval of the State Building Commission.

Item 11. The appropriation in Section 1, Title III-7, to the Department of Correction, Sentencing Act of 1985, is made pursuant to TCA, Section 9-4-210.

(a) The appropriation reflects a base appropriation reduction of \$6,188,500, which recognizes the increased recurring operating costs at the expanded Morgan County Correctional Complex in fiscal year 2008-2009.

(b) The appropriation in the amount of \$44,444,200 is hereby reappropriated to the department for major maintenance and capital outlay purposes.

(c) From the balance of the reserve fund carried forward at June 30, 2008, there is hereby appropriated the sum of \$25,555,800 to the

department for major maintenance and capital outlay purposes in the 2008-2009 fiscal year.

(d) From any remaining reserve fund balance carried forward at June 30, 2008, there is hereby appropriated a sum sufficient to the department for major maintenance and capital outlay purposes.

(e) Other appropriations made under this act to the Department of Correction, Sentencing Act of 1985, are hereby reappropriated to the department for major maintenance and capital outlay purposes.

(f) On or before October 1, 2008, the Commissioner of Finance and Administration shall submit a detailed financial report to the Chairs of the Finance, Ways and Means Committees of the Senate and House of Representatives and to the Chair of the Corrections Oversight Committee concerning all activities of the "Sentencing Act of 1985 reserve account (established and maintained pursuant to TCA, § 9-4-210)" during fiscal year 2007-2008. The report shall indicate the account balance on July 1, 2007, and shall itemize all funds deposited into the reserve account as well as all funds allocated from the reserve account. For each such allocation from the reserve account, the report shall describe the purpose, amount and location of the allocation as well as any other information deemed to be informative by the Commissioner.

Item 12. From the appropriation made in Section 1, Title III-3, Item 4, to the Department of Agriculture, Forestry Operations, the sum of \$3,457,100 is intended to fund the replacement of bulldozers and associated equipment and to provide for debt service on equipment revolving fund bonds. Any unexpended funds for this purpose may be transferred to the State Funding Board and the board is directed to cancel bonds in said amount.

Item 13. The appropriation made in Section 1, Title III-2, Item 3.9 in the amount of \$13,000,000 is intended to provide for debt service on ten-year general obligation bonds in the amount of \$81,300,000 authorized by Chapter 962, Public Acts of 2006, to provide funds for the acquisition and implementation of enterprise resource planning software. Any unexpended funds for this purpose shall be transferred to the State Funding Board and the board is directed to cancel bonds in said amount.

Item 14. In addition to the appropriations for capital outlay in Section 1, Title III-32 and in Section 2, Item 11 of this act, there is hereby reappropriated to the Department of Correction for statewide maintenance (a) the sum of \$4,900,000 from Correction's capital outlay residual funds; and (b) the sum of \$10,000,000 from statewide maintenance residual funds.

SECTION 3.

Item 1. Appropriations made under Section 1, Titles III-11 and III-16, for the operation of the state regulatory boards, shall be subject to allotment by the Commissioner of Finance and Administration, and no expenditure shall be made

by any said boards out of fees collected by them unless and until such allotments have been made by the Commissioner of Finance and Administration. Such allotments for the operation of said respective boards as are made by the Commissioner of Finance and Administration shall be disbursed under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

The allotment hereinabove provided shall be subject to the condition that no money shall be paid therefrom for the salary of any employee of said boards unless and until such salary has been approved by the Commissioner of Personnel. The appointment of all employees of said boards shall likewise be approved by the Commissioner of Personnel.

Notwithstanding any provision of law to the contrary, no member of any board or commission established by law or pursuant to law, which receives an appropriation under this act, regardless of the source of funding, shall receive any compensation, whether denominated per diem or by whatever name called, except for days in which such member actually works four (4) or more hours performing duties directly relating to that board's or commission's activities, or for time or days spent attending meetings of that board or commission. The chairman or head of each board or commission, the department head to which such board or commission is attached administratively, and the Commissioner of Finance and Administration, shall prescribe procedures to contain, as a minimum, a certification of time worked by each member claiming compensation.

Item 2. Except as otherwise provided in this section, the appropriations to the Wildlife Resources Agency under Section 1, Title III-6, shall be paid out of the special fund established under Tennessee Code Annotated, Title 70, Chapter 1, Part 4 and Section 69-10-203. Such appropriations shall be expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, and shall be used only for the expenses of the Wildlife Resources Agency pursuant to Tennessee Code Annotated, Title 70 and Title 69, Chapter 10, Part 2, and no part of the unexpended fund left at the end of the fiscal year shall be used for any other purpose but shall be carried over in said fund and may be expended during the next year, and all of said fees and revenues provided by Tennessee Code Annotated, Title 70 and Title 69, Chapter 10, Part 2, are herein specifically apportioned and appropriated to the use and for the benefit of the Wildlife Resources Agency to be expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51. Nothing in this item shall be construed as relieving the Wildlife Resources Agency of the duty of policing littering of lakes and streams.

Item 3. The appropriation to the State Board of Law Examiners in Section 1, Title II, Item 13, shall be from funds generated by fees collected by the board under the provisions of Tennessee Code Annotated, Title 23, Chapter 1.

In case the appropriation to the board shall prove inadequate to allow the board to function efficiently, the Commissioner of Finance and Administration may make an additional allotment thereto from the general fund, the total of all allotments to the board not to exceed the revenues paid into the treasury by the board.

Item 4. The appropriation to the Department of Financial Institutions in Section 1, Title III-12, shall be derived from banking fees assessed pursuant to Tennessee Code Annotated, Title 45, Chapter 1, Part 1. No part of the unexpended fees left at the end of the fiscal year shall revert to the general fund.

DEPARTMENTAL REVENUES

SECTION 4. All departmental revenues of every kind, as hereinafter defined, collected by any department, institution, office, or agency, in the course of its operations, for its own use, are hereby appropriated to it in addition to the specific appropriations made by this act, unless otherwise provided in this act or other provision of law. Federal aid funds granted to the state for the use of or to be administered by any department, institution, or agency, are likewise appropriated. For the purpose of this section "departmental revenues" are defined as (1) earnings or charges for goods or services; (2) donations, contributions or participation by political subdivisions, foundations, corporations, firms or persons. State revenues, in contradistinction to departmental revenues, are the proceeds of taxes, licenses, fees, fines, forfeiture or other imposts laid specifically by law.

Notwithstanding any provision of the previous paragraph, the Department of Health shall deposit all funds generated by fees or taxes collected by such entity in the general fund of the state. Any appropriations for the operation of such entity shall be subject to allotment by the Commissioner of Finance and Administration, and no expenditure shall be made by any such entity out of fees or taxes collected by it, unless and until such allotments have been made by the Commissioner of Finance and Administration. Such allotments for the operation of such entity as are made by the Commissioner of Finance and Administration shall be disbursed under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

The departmental revenues and federal aid funds appropriated under this act shall include the amounts hereinafter set out:

I. LEGISLATIVE		<u>2008-2009</u>
1.	Legislative Administration Services.....	\$ 17,000.00
2.	House of Representatives	28,500.00
3.	State Senate.....	22,000.00
4.	General Assembly Support Services.....	70,000.00
Total Title I		\$ 137,500.00
II. JUDICIAL		
1.	Appellate and Trial Courts.....	\$ 27,300.00
2.	Supreme Court Buildings	613,000.00
3.	Child Support Referees	1,553,800.00
4.	Indigent Defendants' Counsel	5,000.00
5.	Tennessee State Law Libraries.....	10,000.00
6.	Appellate Court Clerks	1,627,100.00
7.	Judicial Programs and Commissions	348,200.00
8.	Administrative Office of the Courts.....	426,200.00

9.	Judicial Conference	40,000.00
10.	Council of Juvenile and Family Court Judges	64,700.00

Total Title II\$ 4,715,300.00

III. EXECUTIVE

1. Constitutional and Quasi-Judicial Offices

1.	Attorney General and Reporter	
1.1	Attorney General and Reporter	\$ 11,825,000.00
1.2	Special Litigation	786,700.00
	Total Attorney General and Reporter	\$ 12,611,700.00

2.	District Attorneys General Conference	
2.1	District Attorneys General	\$ 4,903,900.00
2.2	District Attorneys General Conference	161,000.00
2.3	Executive Director	1,234,500.00
2.4	IV-D Child Support Enforcement	16,815,300.00
	Total District Attorneys General Conference	\$ 23,114,700.00

3.	Secretary of State	
3.1	Secretary of State	\$ 6,865,500.00
3.2	State Library and Archives	3,634,300.00
3.3	Regional Library System	822,500.00
3.4	Registry of Election Finance	35,000.00
3.5	Economic Council on Women	68,000.00
3.6	Charitable Solicitations and Charitable Gaming	1,699,000.00
3.7	Help America Vote Act	20,500,000.00
3.8	Ethics Commission	440,300.00
	Total Secretary of State	\$ 34,064,600.00

4.	District Public Defenders Conference	
4.1	District Public Defenders	\$ 1,318,200.00
	Total District Public Defenders Conference	\$ 1,318,200.00

5.	Comptroller of the Treasury	
5.1	Division of Administration	\$ 101,900.00
5.2	Office of Management Services	272,500.00
5.3	Capitol Print Shop	1,334,700.00
5.4	Division of State Audit	4,426,400.00
5.5	Division of County Audit	800,000.00
5.6	Division of Municipal Audit	215,000.00
5.7	Division of Bond Finance	445,600.00
5.8	Division of Property Assessments	1,785,000.00
5.9	State Board of Equalization	82,500.00
5.10	Division of Local Finance	57,600.00
5.11	Offices of Research and Education Accountability	802,600.00
5.12	Office of State Assessed Properties	125,000.00
5.13	Telecommunications Ad Valorem Tax Equity Payments	172,100.00

	Total Comptroller of the Treasury	\$ 10,620,900.00
6.	Treasury Department	
6.1	Treasury Department.....	\$ 23,011,800.00
6.2	Small and Minority-Owned Business Assistance Program...	3,260,000.00
	Total Treasury Department.....	\$ 26,271,800.00
7.	Claims and Compensation	
7.1	Criminal Injuries Compensation.....	\$ 5,595,000.00
7.2	Unclaimed Property	26,400,000.00
7.3	Risk Management Fund	56,575,000.00
	Total Claims and Compensation	\$ 88,570,000.00
	Total Title III-1	\$ 196,571,900.00
2.	Executive Offices	
1.	Commissions	
1.1	Commission on Children and Youth	\$ 5,727,000.00
1.2	Commission on Aging and Disability	30,397,500.00
1.3	Alcoholic Beverage Commission	5,493,600.00
1.4	Human Rights Commission	743,100.00
1.5	Advisory Commission on Intergovernmental Relations	2,635,000.00
1.6	Tennessee Housing Development Agency	268,178,400.00
1.7	Arts Commission	1,463,500.00
1.8	Tennessee Regulatory Authority	426,000.00
1.9	Health Services and Development Agency	16,400.00
1.10	Corrections Institute.....	50,000.00
1.11	Tennessee Rehabilitative Initiative in Correction.....	34,128,600.00
1.12	State Museum	5,000.00
	Total Commissions	\$ 349,264,100.00
2.	Department of Finance and Administration	
2.1	Division of Administration	\$ 13,478,500.00
2.2	Office for Information Resources.....	142,058,700.00
2.3	Benefits Administration.....	21,369,100.00
2.4	Division of Accounts	15,940,100.00
2.5	Criminal Justice Programs.....	22,869,900.00
2.6	Real Property Administration.....	5,421,800.00
2.7	Volunteer Tennessee	4,361,500.00
2.8	Resource Development and Support	191,500.00
2.9	Office of Inspector General.....	5,759,700.00
2.10	Enterprise Resource Planning.....	14,236,600.00
2.11	Shared Services Solutions	882,600.00
	Total Department of Finance and Administration	\$ 246,570,000.00
3.	Department of Human Resources	
3.1	Executive Administration	\$ 1,225,200.00
3.2	Human Resource Development	2,289,100.00
3.3	Technical Services	3,351,800.00
	Total Department of Human Resources	\$ 6,866,100.00

4.	Department of General Services		
4.1	Administration.....	\$	6,868,700.00
4.2	Postal Services.....		21,666,800.00
4.3	Property Utilization		2,864,900.00
4.4	Motor Vehicle Management.....		39,884,800.00
4.5	Property Management		13,816,700.00
4.6	Printing and Media Services		4,729,100.00
4.7	Purchasing.....		4,957,000.00
4.8	Warehouse Administration		7,924,100.00
4.9	Records Management		1,468,700.00
4.10	Food Services Program.....		4,999,300.00
	Total Department of General Services	\$	109,180,100.00
5.	Department of Veterans Affairs	\$	485,900.00
	Total Title III-2	\$	712,366,200.00
3.	Department of Agriculture		
1.	Administration and Grants.....	\$	5,087,300.00
2.	Regulatory Services		6,713,200.00
3.	Market Development		233,000.00
4.	Forestry Operations.....		6,462,300.00
5.	Grain Indemnity Fund.....		126,700.00
6.	Agricultural Regulatory Fund.....		120,000.00
	Total Title III-3	\$	18,742,500.00
4.	Department of Tourist Development		
1.	Administration and Marketing	\$	1,047,200.00
2.	Welcome Centers.....		6,120,700.00
	Total Title III-4	\$	7,167,900.00
5.	Department of Environment and Conservation		
1.	Administrative Services	\$	9,827,000.00
2.	Recreation Educational Services		4,544,400.00
3.	Historical Commission		505,100.00
4.	Land and Water Conservation Fund		750,000.00
5.	Archaeology		167,600.00
6.	Geology		155,600.00
7.	Tennessee State Parks		36,890,700.00
8.	Natural Areas		283,800.00
9.	State Parks Maintenance		284,600.00
10.	West Tennessee River Basin Authority.....		358,400.00
11.	Environment Administration		4,427,600.00
12.	Air Pollution Control.....		12,145,000.00
13.	Radiological Health		5,208,900.00

14.	Water Pollution Control	12,174,000.00
15.	Solid Waste Management	9,632,800.00
16.	DOE Oversight	6,786,100.00
17.	Hazardous Waste Remedial Action Fund	10,843,000.00
18.	Water Supply	6,846,000.00
19.	Groundwater Protection	6,155,000.00
20.	Underground Storage Tanks	2,087,700.00
21.	Clean Water and Drinking Water State Revolving Fund	44,647,000.00
22.	Used Oil Collection Program	234,000.00
23.	State Lands Compensation Fund	42,000.00
24.	Fleming Training Center	430,300.00
25.	Office of Environmental Assistance	710,800.00

Total Title III-5\$ 176,137,400.00

6. Wildlife Resources Agency

1.	Wildlife Resources Agency	\$ 26,288,400.00
2.	Boating Safety	4,110,100.00
3.	Wetlands Acquisition Fund	140,000.00

Total Title III-6\$ 30,538,500.00

7. Department of Correction

1.	Administration	\$ 4,828,300.00
2.	Correction Academy	64,900.00
3.	Wayne County Boot Camp	342,500.00
4.	Brushy Mountain Correctional Complex	184,000.00
5.	Tennessee Prison for Women	843,100.00
6.	Turney Center Industrial Prison and Farm	984,500.00
7.	Mark Luttrell Correctional Facility	542,000.00
8.	Charles B. Bass Correctional Complex	1,131,800.00
9.	Southeastern Tennessee State Regional Correctional Facility	788,100.00
10.	Hardeman County Incarceration Agreement	18,900.00
11.	Hardeman County Agreement – Whiteville	18,700.00
12.	West Tennessee State Penitentiary	1,320,200.00
13.	Riverbend Maximum Security Institution	426,900.00
14.	Northeast Correctional Complex	1,316,500.00
15.	South Central Correctional Center	18,700.00
16.	Northwest Correctional Complex	1,732,400.00
17.	Lois M. DeBerry Special Needs Facility	397,400.00
18.	Morgan County Correctional Complex	1,374,400.00
19.	Sentencing Act of 1985	7,500.00

Total Title III-7\$ 16,340,800.00

8. Department of Economic and Community Development

1.	Administrative Services	\$ 543,300.00
2.	Business Development	90,500.00
3.	Regional Grants Management	28,098,000.00

4.	Business Services	1,625,000.00
5.	FastTrack Infrastructure and Job Training Assistance	328,900.00
6.	Community Development	1,986,900.00
7.	Energy Division	2,500,900.00
8.	Small Business Energy Loan Program.....	2,500,000.00
9.	Local Government Energy Loan Program.....	5,000,000.00
10.	Tennessee Job Skills Program.....	9,285,200.00
11.	Film and Television Incentive Fund.....	48,600.00

Total Title III-8.....\$ 52,007,300.00

9. Department of Education

1.	Administration	\$ 1,592,500.00
2.	ESEA No Child Left Behind.....	310,480,600.00
3.	Technology, Infrastructure, and Support Systems	1,581,500.00
4.	Training and Professional Development	824,800.00
5.	Curriculum and Instruction	30,177,500.00
6.	Improving Schools Program	29,431,800.00
7.	Accountability and Assessment.....	13,430,300.00
8.	Early Childhood Education	27,845,100.00
9.	School Nutrition Programs	250,233,900.00
10.	Special Education Services.....	235,681,600.00
11.	Career and Technical Education Programs	36,775,000.00
12.	Alvin C. York Institute	1,055,700.00
13.	Tennessee School for the Blind	868,700.00
14.	Tennessee School for the Deaf.....	543,400.00
15.	West Tennessee School for the Deaf.....	222,700.00
16.	Tennessee Early Intervention Services.....	10,630,000.00

Total Title III-9.....\$ 951,375,100.00

10. Higher Education

1.	Tennessee Higher Education Commission	\$ 6,008,900.00
2.	Tennessee Student Assistance Awards.....	19,562,400.00
3.	Federal Family Education Loan Program (FFELP)	127,502,500.00
4.	Tennessee Student Assistance Corporation	20,142,300.00
5.	Academic Scholars Program.....	378,700.00
6.	Loan/Scholarship Programs	1,715,900.00
7.	THEC Grants.....	1,286,900.00

Total Title III-10.....\$ 176,597,600.00

11. Department of Commerce and Insurance

1.	Administration.....	\$ 6,829,800.00
2.	Insurance.....	13,487,600.00
3.	Fire Prevention	19,949,600.00
4.	TennCare Oversight.....	2,836,700.00
5.	Securities.....	2,069,200.00
6.	Consumer Affairs.....	21,200.00
7.	Fire Service and Codes Enforcement Academy	941,100.00

8.	911 Emergency Communications Fund	2,858,600.00
9.	Regulatory Boards.....	458,400.00
10.	Tennessee Law Enforcement Training Academy.....	1,155,400.00
	Total Title III-11	\$ 50,607,600.00
12.	Department of Financial Institutions	\$ 8,064,800.00
	Total Title III-12.....	\$ 8,064,800.00
13.	Department of Labor and Workforce Development	
1.	Administration.....	\$ 7,204,900.00
2.	Tennessee Occupational Safety and Health Administration (TOSHA).....	4,826,100.00
3.	Workers' Compensation	32,000.00
4.	Mines	285,500.00
5.	Boilers and Elevators	3,705,300.00
6.	Labor Standards.....	212,200.00
7.	Employment and Training	68,701,700.00
8.	Second Injury Fund	275,000.00
9.	Adult Basic Education	13,092,100.00
10.	Employment Security	86,023,300.00
	Total Title III-13.....	\$ 184,358,100.00
14.	Department of Mental Health and Developmental Disabilities	
1.	Administration	
1.1	Administrative Services Division.....	\$ 7,425,000.00
	Total Administration.....	\$ 7,425,000.00
2.	Mental Health Services	
2.1	Community Mental Health Services	\$ 12,275,500.00
2.2	Lakeshore Mental Health Institute	16,646,800.00
2.3	Middle Tennessee Mental Health Institute	27,366,600.00
2.4	Western Mental Health Institute	23,675,500.00
2.5	Moccasin Bend Mental Health Institute	16,231,400.00
2.6	Memphis Mental Health Institute	11,858,200.00
	Total Mental Health Services.....	\$ 108,054,000.00
3.	Alcohol and Drug Abuse Services	
3.1	Community Alcohol and Drug Abuse Services.....	\$ 38,809,700.00
	Total Alcohol and Drug Abuse Services	\$ 38,809,700.00
	Total Title III-14.....	\$ 154,288,700.00
15.	Department of Military	
1.	Administration.....	\$ 900,700.00
2.	Army National Guard.....	8,481,900.00
3.	Air National Guard.....	12,593,500.00

4.	Tennessee Emergency Management Agency	8,887,000.00
5.	Armories Maintenance	4,487,400.00
6.	Homeland Security Grants	55,031,500.00
7.	TEMA Disaster Relief Grants	5,000,000.00
8.	Armories Utilities	1,521,100.00

Total Title III-15\$ 96,903,100.00

16. Department of Health

1.	Administration		
1.1	Executive Administration	\$	1,256,400.00
1.2	Administrative Services		1,227,400.00
1.3	Office for Information Technology Services.....		126,000.00
1.4	Policy Planning and Assessment		5,693,800.00
	Total Administration.....	\$	8,303,600.00
2.	Manpower Resources and Facilities		
2.1	Bureau of Health Licensure and Regulation	\$	8,302,800.00
2.2	Emergency Medical Services		1,131,800.00
2.3	Laboratory Services.....		11,693,900.00
2.4	Health Related Boards		129,000.00
	Total Manpower Resources and Facilities.....	\$	21,257,500.00
3.	Community Health Services		
3.1	General Environmental Health	\$	28,600.00
3.2	Health Services Administration.....		3,829,800.00
3.3	Maternal and Child Health		13,517,000.00
3.4	Communicable and Environmental Disease Services		39,129,700.00
3.5	Community and Medical Services		19,720,000.00
3.6	Women, Infants, and Children (WIC).....		119,405,400.00
	Total Community Health Services	\$	195,630,500.00
4.	Local Health Services.....	\$	126,376,600.00
	Total Title III-16	\$	351,568,200.00

17. Department of Human Services

1.	Administration		
1.1	Administration.....	\$	43,462,200.00
1.2	Field Operations		16,165,700.00
1.3	County Rentals		10,614,600.00
1.4	Appeals and Hearings		9,868,900.00
	Total Administration.....	\$	80,111,400.00
2.	Family Assistance Services		
2.1	Child Support.....	\$	58,727,200.00
2.2	Child Care Benefits.....		177,140,800.00
2.3	Temporary Cash Assistance		105,796,200.00
2.4	Food Stamp Benefits		1,028,891,500.00

2.5	Family Assistance Services.....	106,384,400.00
	Total Family Assistance Services	\$ 1,476,940,100.00
3.	Social Services	
3.1	Community Services.....	\$ 136,354,400.00
	Total Social Services	\$ 136,354,400.00
4.	Rehabilitative Services	
4.1	Vocational Rehabilitation	\$ 72,426,400.00
4.2	Disability Determination.....	55,087,800.00
	Total Rehabilitative Services	\$ 127,514,200.00
	Total Title III-17	\$ 1,820,920,100.00
18.	Department of Revenue	
1.	Administration Division	\$ 3,041,600.00
2.	Tax Enforcement Division	2,745,600.00
3.	Information Technology Resources Division	3,939,400.00
4.	Taxpayer and Vehicle Services Division	2,925,200.00
5.	Audit Division	9,408,000.00
6.	Processing Division	2,582,100.00
	Total Title III-18	\$ 24,641,900.00
19.	Tennessee Bureau of Investigation	\$ 22,410,500.00
	Total Title III-19	\$ 22,410,500.00
20.	Department of Safety	
1.	Administration.....	\$ 546,000.00
2.	Driver License Issuance	49,916,400.00
3.	Highway Patrol	12,980,700.00
4.	Auto Theft Investigations.....	350,100.00
5.	Motor Vehicle Operations.....	169,600.00
6.	Technical Services	6,466,100.00
7.	Office of Homeland Security.....	4,151,300.00
	Total Title III-20	\$ 74,580,200.00
21.	Miscellaneous Appropriations	
1.	State Legislative Leaders Foundation	\$ 25,000.00
	Total Title III-21	\$ 25,000.00
22.	Cover Tennessee Health Care Programs	
1.	CoverKids	\$ 86,754,600.00
2.	CoverRx	200,000.00

Total Title III-22.....		\$ 86,954,600.00
23. Department of Children's Services		
1.	Administration.....	\$ 25,613,200.00
2.	Family Support Services	12,911,000.00
3.	Custody Services	130,182,500.00
4.	Adoption Services	32,258,000.00
5.	Child and Family Management.....	143,095,700.00
6.	John S. Wilder Youth Development Center.....	306,800.00
7.	Taft Youth Development Center	649,300.00
8.	Woodland Hills Youth Development Center	395,700.00
9.	Mountain View Youth Development Center	334,200.00
10.	New Visions Youth Development Center	91,200.00
11.	Community Treatment Facilities	2,514,000.00
Total Title III-23		\$ 348,351,600.00
24. Board of Probation and Parole		
1.	Probation and Parole Services.....	\$ 1,134,700.00
Total Title III-24		\$ 1,134,700.00
25. Department of Finance and Administration – Mental Retardation		
1.	Mental Retardation Administration	\$ 15,453,000.00
2.	Community Mental Retardation Services	534,929,900.00
3.	Arlington Developmental Center	24,253,400.00
4.	Clover Bottom Developmental Center	51,621,600.00
5.	Greene Valley Developmental Center.....	80,900,500.00
6.	West Tennessee Regional Office	14,311,600.00
7.	Middle Tennessee Regional Office	9,859,300.00
8.	East Tennessee Regional Office	11,775,200.00
9.	West Tennessee Resource Center	5,300,000.00
10.	West Tennessee Community Homes.....	18,356,500.00
11.	Developmental Disabilities Council	2,270,200.00
Total Title III-25		\$ 769,031,200.00
26. Department of Finance and Administration – TennCare Program		
1.	TennCare Administration.....	\$ 141,324,500.00
2.	TennCare Services.....	3,237,238,200.00
3.	Waiver and Crossover Services	693,069,900.00
4.	Long Term Care Services	815,498,300.00
5.	Governor's Office of Children's Care Coordination	4,296,800.00
Total Title III-26		\$ 4,891,427,700.00

27. Department of Transportation

1.	Mass Transit.....	\$ 103,919,000.00
2.	Planning and Research	14,000,000.00
3.	Highway Maintenance	1,100,000.00
4.	Highway Betterments	100,000.00
5.	State Aid.....	9,748,000.00
6.	State Industrial Access.....	200,000.00
7.	Interstate Construction	134,520,000.00
8.	Forest Highways.....	700,000.00
9.	Local Interstate Connectors	5,000,000.00
10.	State Highway Construction	559,318,000.00
11.	Bridge Replacement.....	60,620,000.00
12.	Air, Water, and Rail Transportation	21,000,000.00
Total Title III-27		\$ 910,225,000.00

28. Facilities Revolving Fund

1.	General Services Operating Maintenance	\$ 46,504,000.00
2.	General Services Project Maintenance	1,700,000.00
3.	Facilities Management	50,171,200.00
4.	Capital Projects	10,425,000.00
5.	Debt Service.....	23,200,000.00
Total Title III-28		\$ 132,000,200.00

29. State Building Commission

1.	Major Maintenance and Equipment.....	\$ 150,000.00
Total Title III-29.....		\$ 150,000.00

REFUND OF RECEIPTS

SECTION 5.

Item 1. There is hereby appropriated the necessary and sufficient sums to refund any collection or part thereof made erroneously or illegally for the use or benefit of the state or any of its departments, institutions, offices or agencies. Such refunds shall be made in accordance with existing law as applicable in any particular case. In case revenues are not adequate to meet in full all appropriations made, the appropriations made for Sinking Fund Debt Service and the amounts necessary to cover the salary and wage obligations of the state shall have preferential payment.

Item 2. With respect to any revenues or receipts collected by any department or agency with the exception of those collected by the Department of Revenue, notwithstanding any provisions of the law to the contrary, such amounts as are determined to have been erroneously paid may be refunded by

such procedure as may be approved by the Commissioner of Finance and Administration and the Comptroller of the Treasury.

SECTION 6. In addition to the appropriations made to the State Funding Board in Section 1, Title III-31, of this act, there is appropriated the following items:

Item 1. There is hereby appropriated a sum sufficient from the internal service funds available to the Department of Finance and Administration, Office of Information Resources, to provide the debt service on general obligation bond and note issues authorized in the following amounts:

(1) Chapter 850, Public Acts of 1994.....	\$ 13,800,000.00
(2) Chapter 952, Public Acts of 1996.....	\$ 20,000,000.00
(3) Chapter 962, Public Acts of 2006.....	\$ 56,800,000.00

Item 2. From the funds appropriated in Section 1, Title III-31, Item 5, Amortization of Authorized and Unissued Highway Bonds, the sum of \$87,700,000.00 is appropriated in lieu of issuing highway bonds under the provisions of Chapter 984, Public Acts of 2000; and the sum of \$1,000,000.00 is appropriated in lieu of issuing bonds under the provisions of Chapter 958, Public Acts of 2004. The State Funding Board shall take the necessary action to cancel the unissued bonds.

Item 3. For the purpose of defraying the costs of issuance of debt and the administration of authorized programs of the Tennessee Local Development Authority, there is hereby appropriated to the Tennessee Local Development Authority an amount not to exceed \$25,000.00 from the State Loan Program Fund. Such amounts shall be determined as necessary by the State Funding Board and the Tennessee Local Development Authority.

Item 4. In addition to the appropriation made in Section 1, Title III-31, there is hereby appropriated a sum sufficient to pay for debt service attributable to any obligations issued pursuant to Chapter 990, Public Acts of 1996. Said appropriation shall be derived from revenues, fees or other funds resulting from the development and operation of facilities funded under the provisions of Chapter 990, Public Acts of 1996, and any other amounts which may be appropriated therefor. Pursuant to procedures as may be determined by the Commissioner of Finance and Administration, such debt service payments shall be transferred to the debt service fund.

Subject to the approval of the Commissioner of Finance and Administration, there is hereby authorized to be expended from available funds of the state such amounts as may be necessary to pay debt service on any obligations issued pursuant to Chapter 990, Public Acts of 1996, prior to commencement of operations of any such facilities; provided, however, any state funds utilized for this purpose, shall, together with interest thereon, be repaid from such facilities revenues pursuant to terms and conditions as may be prescribed by the State Funding Board.

Item 5. From the appropriation made in Section 1, Title III-31, of this act to the State Funding Board, a sum not to exceed \$3,800,000 is earmarked to pay

debt service on general obligation bonds issued under the authority of Chapter 582, Public Acts of 1996, for the purpose of making a grant to the Metropolitan Government of Nashville and Davidson County for the construction of a sports stadium. It is the legislative intent that said appropriations shall be funded first from the sales tax revenues allocated under the provisions of Tennessee Code Annotated, Section 67-6-103(d)(1), and any revenues in excess of debt service requirements shall be reserved at June 30 and not revert to the fund balance and that said appropriations, to the extent required, shall be funded second from revenues and reserves available to the debt service fund.

Item 6. To provide the debt service on the general obligation bonds authorized under Chapter 313, Public Acts of 2003, there is hereby appropriated a sum sufficient from the funds available to the State Funding Board pursuant to agreements entered into thereunder.

Item 7. From the funds appropriated in Section 1 and Section 4 of this act to the Tennessee Board of Regents for defraying operating expenses in this act and other acts of legislature, with the approval of the State Building Commission a sum sufficient is appropriated to be used for payments to the State Funding Board as required for any debt issued under the authorization of Chapter 313, Public Acts of 2003.

Item 8. From the funds appropriated in Section 1 and Section 4 of this act to the Tennessee Board of Regents for defraying operating expenses in this act and other acts of legislature, with the approval of the State Building Commission a sum sufficient is appropriated to be used for payments to the State Funding Board as required for any debt issued in an amount not to exceed \$10,700,000 under the authorization of Chapter 591, Public Acts of 2007.

Item 9. In addition to the appropriations made in Section 1, Title III-31, of this act to the State Funding Board, and to the extent that the board issues any tax revenue anticipation notes pursuant to the provisions of Tennessee Code Annotated, Section 9-9-301, there is hereby appropriated a sum sufficient from subsequently available funds of the state to pay debt service on such notes within the fiscal year of issuance.

Item 10. The provisions of this Item shall take effect upon becoming a law, the public welfare requiring it. Chapter 958, Public Acts of 2004, authorized bonds in the amount of \$80,000,000 to pre-finance interstate highway construction projects. Interstate highway projects in the amount of \$80,000,000 have been converted to federal financing. The State Funding Board shall take the necessary action to cancel the unissued bonds in the amount of \$80,000,000.

Item 11. The provisions of this Item shall take effect upon becoming law, the public welfare requiring it. Chapter 501, Public Acts of 2005, authorized bonds in the amount of \$80,000,000 to pre-finance interstate highway construction projects. Interstate highway projects in the amount of \$30,000,000 have been converted to federal financing. The State Funding Board shall take the necessary action to cancel the unissued bonds in the amount of \$30,000,000.

To the extent that additional interstate highway projects are converted to federal financing, the State Funding Board shall take the necessary action to cancel the unissued bonds in an amount equal to the conversion to federal financing.

SECTION 7. The appropriations made by this act under Sections 1 and 4 shall be subject to the following provisions, limitations, or restrictions. From the funds appropriated to the:

Item 1. It is the legislative intent that annual dues assessed by the Council of State Governments (CSG) and the National Conference of State Legislatures (NCSL) be paid quarterly and timely from the funds appropriated in Section 1, Title III-22, Item 21 for Intergovernmental Conferences Dues. CSG dues for 2008-2009 shall be remitted in four (4) equal payments of \$34,803 (\$139,212 annualized), and NCSL dues shall be remitted in four (4) equal payments of \$46,450.50 (\$185,802 annualized).

It is further the legislative intent that the annual dues assessed by The National Conference of Insurance Legislators be paid timely in the amount of \$10,000 from the funds appropriated in Section 1, Title III-22, Item 21 for Intergovernmental Conference Dues.

Item 2. From the appropriation made for the State Election Commission under Section 1, Title III-1, Item 3.2, there is hereby appropriated funds for expenses of the State Election Commission, including the printing of election laws, the office of the Coordinator of Elections, and other expenses of administering election laws. The salary of each member of the State Election Commission shall be seven thousand two hundred dollars (\$7,200.00) annually, except that the Chairman of the State Election Commission shall be paid an additional one thousand eight hundred dollars (\$1,800.00) annually for additional duties required of him and the Secretary of the State Election Commission shall be paid an additional one thousand two hundred dollars (\$1,200.00) annually for additional duties required of him. The Secretary of State is hereby authorized to make all necessary purchases of election supplies from funds appropriated for such purpose in accordance with state purchasing procedures.

Item 3. From the funds appropriated to the Office of the Comptroller of the Treasury and the Department of Finance and Administration, there is hereby authorized to be allocated an amount not to exceed \$45,000.00 for the purpose of meeting the State of Tennessee's participation in the cost of supporting the National Council on Governmental Accounting or a governmental accounting standards board in the establishment of governmental accounting standards and principles.

Item 4. Maintenance of the Tennessee Residence in the amount of forty-eight thousand dollars (\$48,000.00) per year, and travel expenses as certified by the Governor, shall be paid by the Commissioner of Finance and Administration from the appropriations made under Section 1, Title III-2, Item 1.1, for the Governor's Office, it being the legislative intent that the residence should be maintained and operated as the official residence and office of the Chief Executive of Tennessee in a manner required of the Office of Governor.

Item 5. Tennessee Arts Commission in Section 1, Title III-2, Item 2.8, the sum of \$80,000.00 is hereby appropriated for the purpose of making a grant to Fisk University for the necessary staff, services and other costs associated with maintaining and showing the Stieglitz Collection at Fisk University. It is the legislative intent that this appropriation is a direct appropriation grant and that it be processed accordingly by the Commissioner of Finance and Administration. This appropriation is made under the provisions of Tennessee Code Annotated, Section 4-20-202.

Item 6. Tennessee Arts Commission in Section 1, Title III-2, Item 2.8, the grant to the Knoxville Arts Council for ticket subsidies for students in East Tennessee shall provide for a sub-grant to the Allied Arts of Greater Chattanooga. It is the legislative intent that the grant be shared on a per student basis.

Item 7. Department of Finance and Administration in Section 1, Title III-2, Item 3.4, there is hereby earmarked a sum sufficient from the proceeds of the \$15.00 privilege tax on marriage licenses for purposes of funding family violence shelters and shelter services. This appropriation is made under the provisions of Tennessee Code Annotated, Section 67-4-411.

Item 8. Board of Probation and Parole in Section 1, Title III-24, Item 2, the board is authorized to make a grant of up to \$182,000 to "Project Return".

Item 9. Board of Probation and Parole in Section 1, Title III-24, Item 2, the sum of \$136,500 is for the sole purpose of making a grant in such amount to Dismas, Inc., to be used for assisting with their programs in the State of Tennessee, and for no other purpose. From the funds appropriated to Dismas, Inc., there is earmarked the sum of \$25,000 to Chattanooga Endeavors (formerly Dismas House of Chattanooga) and \$8,000 to Better Decisions (formerly DECISIONS, a program of the DISMAS, Inc., home office) for the sole purpose of maintaining operations at their former level.

Item 10. The appropriation to the Department of Correction, Sex Offender Treatment Program in Section 1, Title III-7, Item 20, is made pursuant to Tennessee Code Annotated, Section 39-13-709.

Item 11. Department of Economic and Community Development in Section 1, Title III-8, Item 3, the amount of \$100,000.00 is to be paid to the Nashville Minority Business Center and the amount of \$100,000.00 is to be paid to the Minority Enterprise Development as direct appropriation grants.

Item 12. Commission on Fire Fighting Personnel Standards and Education in Section 1, Title III-11, Item 3, funds are earmarked for payment to eligible units of local government to pay bonus supplements to firemen who successfully complete during calendar year 2008 an in-service training program appropriate to such fireman's rank and responsibility and the size and location of his department of at least forty (40) hours duration at a school established or certified by such commission. The funds appropriated by this item shall be disbursed in accordance with the provisions of Tennessee Code Annotated, Title

4, Chapter 24 and Section 56-4-205(c), and no supplement to any person shall exceed six hundred dollars (\$600.00).

Item 13. POST Commission in Section 1, Title III-11, Item 9, funds are earmarked for payment to eligible units of local government which have required all police officers to complete during calendar year 2008 an in-service training course appropriate to each officer's rank and responsibility commensurate with the size and location of his department of at least forty (40) hours duration at a school certified or recognized by the Peace Officer Standards and Training Commission. The funds appropriated by this item shall be disbursed in accordance with the provisions of Tennessee Code Annotated, Title 38, Chapter 8, Part 1, and no recipient shall be eligible to receive a supplement of more than six hundred dollars (\$600.00).

Item 14. Department of Health in Section 1, Title III-16, Item 3.5, the amount of \$113,700 is to be paid to St. Jude Hospital in Memphis to defray, in whole or in part, the expenses of patients and their families who are citizens and residents of Tennessee in traveling to and from St. Jude Hospital. Such payments shall be administered by the hospital and shall be made on the basis of need. Such patients, or their families, requesting assistance from these funds shall supply such documents supporting need and travel expenses as the hospital may require.

Item 15. In the fiscal year ending June 30, 2009, it is the legislative intent that the sum of two million dollars (\$2,000,000) be credited to the Health Access Incentive Account pursuant to Tennessee Code Annotated, Section 66-29-121, and that \$1,000,000 of the appropriation made in Section 4, Title III-16 of this act be funded from the program's reserve balance.

Item 16. From the appropriation in Section 1, Title III-27, for the Emergency and Contingency Fund, there is hereby appropriated an amount not to exceed three hundred nineteen thousand three hundred dollars (\$319,300.00) for the following purposes: (1) forest fire control in the Division of Forestry, (2) payment of indemnities for destruction of livestock and extraordinary veterinary payrolls for cattle market fluctuations by the Department of Agriculture, (3) payment of extraordinary expenditures for insect and pest control efforts by the Department of Agriculture, and (4) the cost of personnel and equipment needed to restore law and order in instances arising out of civil disorders.

Item 17. The appropriation made in Section 1, Title II, Item 6, of this act, for Civil Legal Representation shall be adjusted to an amount equal to the revenue collected in the fiscal year ending June 30, 2008, from the earmarked litigation tax levied pursuant to Tennessee Code Annotated, Section 67-4-602(g) and Section 16-3-808.

In addition to the preceding appropriation, there is hereby appropriated a sum sufficient not to exceed the revenue collected in the fiscal year ending June 30, 2008, from the earmarked bail bond tax levied pursuant to Tennessee Code Annotated, Section 67-4-806, for the purpose of developing and providing continuing education for professional Bail Bonding Agents and providing civil legal representation to low-income Tennesseans.

Item 18. From the appropriations in Section 1 of this act, there is hereby appropriated \$6,075,000 from the real estate transfer tax, to be allocated to the following programs, as authorized by Tennessee Code Annotated, Section 67-4-409:

- a) To the 1986 Wetland Acquisition Fund \$6,000,000
of which \$400,000 shall be used for payments in lieu of taxes; and
- b) To the State Lands Acquisition Fund \$ 75,000
all of which shall be used for payments in lieu of taxes.

This Item is subject to the provisions of Senate Bill No. 4173/House Bill No. 4129 amending Tennessee Code Annotated, Section 67-4-409, and allowing a general fund allocation from the real estate transfer tax becoming law.

SECTION 8. In addition to the appropriations made in Section 1 of this act and subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, there is hereby appropriated a sum sufficient:

Item 1. To pay all lawful claims due from the state to any of the several counties thereof on account of unpaid court costs, unpaid allotments of taxes distributable by the state to the counties and such other sums as may be due from the state to the counties, but none of such funds shall be distributed to the counties of the state until after the validity of the claims has been investigated and approved by the State Comptroller and the Governor. Provided, however, that such funds shall not include funds due to counties and cities for the state share of costs to cities and counties as required by Section 24, Article II, of the Constitution of Tennessee.

Item 2. To the Tennessee Code Commission for the following purposes: (1) to purchase pocket supplements for the state-owned sets of Tennessee Code Annotated; (2) to purchase replacement volumes for state-owned sets of Tennessee Code Annotated; (3) to purchase replacement sets of Tennessee Code Annotated; (4) to purchase sets of Tennessee Code Annotated for judges of new courts created during the 2008 Session of the General Assembly; (5) to purchase pocket supplements for the state-owned sets of the Index to the Private Acts of Tennessee; and (6) to pay for proofreading and other expenses involved in preparing supplements and replacement volumes for Tennessee Code Annotated.

Item 3. To pay the salaries and travel expenses of all persons appointed to sit as Special Judges, Special District Attorneys General and/or Special Prosecutors under statutes relating to the state judicial system.

Item 4. To provide for indigent defendants counsel in capital cases.

Item 5. To pay fees of special counsel who may be employed by the Governor, on recommendation of the Attorney General, and to pay other expenses in special cases of litigation involving the state. In matters involving the Tennessee Regulatory Authority, Housing Development Agency, Wildlife

Resources Agency, financial institutions, regulatory boards and other programs and agencies funded by earmarked or dedicated revenues, the sum sufficient appropriation shall be provided from said earmarked or dedicated revenues. In matters involving departments, agencies and/or programs funded in whole or in part with federal aid and/or departmental revenues and reserves, the sum sufficient appropriation may be provided in whole or in part from said revenues and reserves.

Item 6. To the Administrative Office of the Courts from revenues and reserves available to the following programs:

(a) "Divorcing Parent Education and Mediation Fund" and the "Marriage License Tax" pursuant to Tennessee Code Annotated, Section 36-6-413(b)(5).

(b) Tennessee Judicial Information System Fund pursuant to Tennessee Code Annotated, Section 16-3-807.

(c) Board of Professional Responsibility, Tennessee Lawyers Assistance Programs, Continuing Legal Education and Client Protection Fund.

(d) Municipal court judges and municipal court clerks training and continuing legal education pursuant to Tennessee Code Annotated, Section 16-18-304.

(e) General Sessions Judges' Conference pursuant to Tennessee Code Annotated, Section 16-15-5007 and Section 67-4-606(a)(B)(9), to defray expenses of serving the general sessions courts.

(f) Tennessee Judicial Information System Fund established in Tennessee Code Annotated, Section 16-3-807, to the Automated Court System Hardware Replacement Loan Fund established in Tennessee Code Annotated, Section 16-3-1001. This appropriation is subject to approval by the Commissioner of Finance and Administration.

Item 7. To the Attorney General and Reporter from the revenues and reserves available to the following programs:

(a) False Claims Act Fund established pursuant to Tennessee Code Annotated, Section 4-18-104(j). The Commissioner of Finance and Administration is authorized to adjust the appropriation made under Section 1, Title III-1, Item 1.1, of this act to recognize any reimbursement for expenses already provided.

(b) Reserve for Attorney General Litigation Settlement. The Commissioner of Finance and Administration is authorized to establish positions as may be required.

Item 8. To provide for payment of administrative law judge services. The Commissioner of Finance and Administration is authorized to allocate the funds to the appropriate organizational units, adjust departmental revenues accordingly, and establish authorized positions.

Item 9. To the Comptroller of the Treasury from the Telecommunications Ad Valorem Tax Reduction Fund to provide for the administration of the program and payments from the fund as provided by law.

Item 10. To the Treasury Department, Small and Minority-Owned Business Assistance Program, from funds allocated to the program pursuant to Tennessee Code Annotated, Section 65-5-113.

Item 11. To the Tennessee Local Development Agency a sum sufficient from the Underground Storage Tank Fund for the purpose of paying debt service and expenses in connection with any debt issued pursuant to the provisions of Chapter 444, Public Acts of 1997, relative to underground storage tanks.

Item 12. To the Health Services and Development Agency a sum sufficient from reserves of the agency for the purpose of paying indirect costs allocated to the agency and to pay audit costs.

Item 13. To the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) from the TACIR reserves authorized by Tennessee Code Annotated, Section 4-10-107. The Commissioner of Finance and Administration is authorized to adjust departmental revenues accordingly, and establish authorized positions as needed.

Item 14. To the Office of Information Resources from the general obligation bonds/notes authorized under Chapter 850, Public Acts of 1994; and Chapter 952, Public Acts of 1996, for data processing services and telecommunications services; and from the general obligation bonds/notes authorized under Chapter 962, Public Acts of 2006, for the purpose of acquisition and implementation of enterprise resource planning software.

Item 15. To the Department of Finance and Administration to reimburse the federal government for arbitrage on the state's general obligation debt.

Item 16. To the Department of Finance and Administration to provide for payments to the State Office Buildings and Support Facilities Revolving Fund for spaces occupied by the Tennessee State Museum and for other areas within the Tennessee Performing Arts Center.

Item 17. To the Department of Finance and Administration from revenues and reserves available to the following programs:

(a) To provide funding for the additional sexual assault program services pursuant to Tennessee Code Annotated, Title 71, Chapter 6, Part 3. Any unexpended funds shall not revert to the general fund balance at June 30 and are hereby reappropriated in the subsequent fiscal year.

(b) To provide funding to establish drug courts pursuant to Tennessee Code Annotated, Title 16, Chapter 22, Part 1.

(c) To provide funding for family violence shelters and shelter services pursuant to Tennessee Code Annotated, Section 39-13-101. Any unexpended funds shall not revert to the general fund at June 30 and are hereby reappropriated in the subsequent fiscal year.

(d) To provide funding from the revenues apportioned to the Domestic Violence Community Education Fund pursuant to Tennessee Code Annotated, Section 36-3-616.

(e) To provide funding from the litigation tax apportioned to fund grants to local governments to purchase and maintain electronic fingerprint imaging systems pursuant to Tennessee Code Annotated, Section 67-4-602.

(f) To provide funding from the reserve for the State Health Planning Division pursuant to Tennessee Code Annotated, Section 68-11-1625.

Item 18. To the Board of Probation and Parole from the reserves for parole and probation supervision and rehabilitation fees pursuant to Tennessee Code Annotated, Section 40-28-203(c).

Item 19. To the Department of Agriculture from revenues and reserves available to the following programs:

(a) Agricultural Resources Conservation Fund pursuant to Tennessee Code Annotated, Section 67-4-409(l).

(b) Agricultural Regulatory Fund pursuant to Tennessee Code Annotated, Title 43, Chapter 1, Part 7.

(c) Certified Cotton Growers' Organization Fund pursuant to Tennessee Code Annotated, Title 43, Chapter 6, Part 4.

(d) Tennessee Grain Indemnity Fund pursuant to Tennessee Code Annotated, Title 43, Chapter 32, Part 2.

(e) Market Development, Agricultural Development Fund pursuant to Tennessee Code Annotated, Section 55-4-267.

(f) Division of Forestry, from the proceeds of revenue allocated pursuant to Tennessee Code Annotated, Section 11-14-305(b)(3), pertaining to the sale and replacement of real property.

Item 20. To the Department of Environment and Conservation from revenues and reserves available to the following programs:

(a) Local Park Land Acquisition Fund, State Lands Acquisition Fund, and State Lands Compensation Fund pursuant to Tennessee Code Annotated, Sections 67-4-409(i) and 67-4-409(j).

(b) Heritage Conservation Trust Fund pursuant to Tennessee Code Annotated, Section 11-7-103.

(c) State parks program from revenues derived from nonprofit support groups pursuant to Tennessee Code Annotated, Title 11, Chapter 3, Part 2.

(d) State Park Fund pursuant to Tennessee Code Annotated, Title 11, Chapter 3, Part 3.

(e) From revenues derived from the sale of Tennessee Elk River Development Authority lands. This appropriation is subject to approval by the Commissioner of Finance and Administration.

(f) Environmental Protection Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 203, Part 1. Departmental revenues shall be adjusted accordingly.

(g) Radiation Reclamation Trust Fund and the Perpetual Care Trust Fund pursuant to Tennessee Code Annotated, Section 68-202-405.

(h) Solid Waste Management Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 211, Part 8.

(i) Used Oil Collection Fund pursuant to Tennessee Code Annotated, Section 68-211-1004.

(j) Hazardous Waste Remedial Action Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 212, Part 2.

(k) Petroleum Underground Storage Tank Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 215, Part 1.

(l) Drycleaner Environmental Response Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 217, Part 1.

(m) Solid Waste Assistance Fund pursuant to Tennessee Code Annotated, Title 67, Chapter 4, Part 16.

Item 21. To the Wildlife Resources Agency from revenues available to the Wetlands Acquisition Fund and the Wetlands Compensation Fund pursuant to Tennessee Code Annotated, Section 67-4-409(g).

Item 22. To the Wildlife Resources Agency from the general fund for any difference between the actual charges to the agency under the indirect cost allocation plan and the amount the TWRA can justify and continue to receive federal funds.

Item 23. To the Wildlife Resources Agency from its own revenues to implement the programs, activities and projects approved by the Wildlife Resources Agency Commission. The Commissioner of Finance and Administration is authorized to adjust departmental revenue accordingly and to establish positions as may be required.

Item 24. To the Department of Correction from revenues and reserves available for the following programs:

(a) Sex Offender Treatment Program pursuant to Tennessee Code Annotated, Section 40-39-201.

(b) Supervision and rehabilitation fees pursuant to Tennessee Code Annotated, Section 40-28-203(c).

Item 25. To the Department of Commerce and Insurance, Division of Regulatory Boards, from revenues and reserves available for the following purposes:

(a) To purchase examinations for regulatory boards. This appropriation is contingent upon the fees collected for giving examinations being in excess of the budgeted estimates.

(b) To fund data processing systems development and implementation. Said appropriations are made pursuant to Tennessee Code Annotated, Section 4-3-1011.

(c) To the Real Estate Education and Recovery Fund, to provide for court-ordered payments and to print and distribute to all licensees a manual of laws and rules and regulations.

(d) To the Auctioneer Education and Recovery Fund, to provide for court-ordered payments.

(e) To the Cemetery Consumer Protection Fund pursuant to Tennessee Code Annotated, Section 46-1-105.

Item 26. To the Department of Commerce and Insurance, 911 Emergency Communications Fund, from the revenues collected pursuant to Tennessee Code Annotated, Title 7, Chapter 86.

Item 27. To the Department of Labor and Workforce Development from revenues and reserves available to the following programs:

(a) Uninsured Employers Fund program pursuant to Tennessee Code Annotated, Section 50-6-801.

(b) Tennessee Occupational Safety and Health Administration (TOSHA) program pursuant to Tennessee Code Annotated, Title 50, Chapter 6, Part 4.

Item 28. To the Department of Mental Health and Developmental Disabilities from the revenues and reserves available to the Alcohol and Drug Addiction Treatment Fund pursuant to Tennessee Code Annotated, Section 40-33-211(c)(2).

Item 29. To the Department of Military to provide for the cost of personnel and equipment needed to maintain law and order in instances arising out of civil disorders.

Item 30. To the Department of Military, Disaster Relief Grants, for the purpose of matching federal funds and to the Department of Military to pay the administrative costs of the Disaster Relief Program. Said appropriations shall be made first from the Reserve for Disaster Relief and they are in addition to the appropriation made in Section 1, Title III-22, Item 6, of this act. Federal aid and other departmental revenue may be adjusted accordingly.

Any unexpended funds remaining in the Reserve for Disaster Relief or from the appropriation made in Section 1, Title III-22, Item 6, of this act, other acts of this General Assembly or acts by previous General Assemblies shall not revert to the general fund balance at June 30. Said funds are hereby reappropriated in the subsequent fiscal year. The provisions of this item shall take effect upon becoming law, the public welfare requiring it.

Item 31. To the Department of Health from revenues and reserves available to the following programs:

(a) Nursing Home Resident Protection Trust Fund pursuant to Tennessee Code Annotated, Section 68-11-827.

(b) Health Access Act of 1989, pursuant to Tennessee Code Annotated, Sections 66-29-121 and 66-29-151.

(c) Child Safety Fund pursuant to Tennessee Code Annotated, Section 55-9-602(f)(7).

(d) Medicaid Nursing Home Trust Fund pursuant to Federal Regulations Chapter 42, Section 488.442.

(e) Traumatic Brain Injury Fund to allow for the provision of enhanced and/or new services which benefit traumatic brain injury persons and their families as authorized in Tennessee Code Annotated, Title 68, Chapter 55. Any additional appropriations provided under this item are non-recurring from carry-forward funds which exist in the Traumatic Brain Injury Fund and are subject to approval of the Commissioner of Finance and Administration.

(f) Health Related Boards, for data processing systems development and implementation costs and for the cost of investigations and subsequent prosecution of licensees in violation of their practice acts. Said appropriations are made pursuant to Tennessee Code Annotated, Section 4-3-1011.

Item 32. To the Department of Human Services for administration of the Child Care Facilities Loan Guarantee Program. Said appropriation shall come from interest earnings allocated to the program pursuant to Tennessee Code Annotated, Section 4-37-110.

Item 33. To the Department of Revenue to pay interest, attorney fees and other costs which are due with certain taxpayer refund payments.

Item 34. To the Department of Revenue from the C.I.D. Anti-Theft reserve fund pursuant to Tennessee Code Annotated, Section 55-3-208.

Item 35. To the Tennessee Bureau of Investigation from revenues and reserves available to the following programs:

(a) For the purpose of maintaining the expunged criminal offender and pretrial diversion database and other systems pursuant to Tennessee Code Annotated, Section 40-32-101(d)(2).

(b) TBI Toxicology Unit Intoxicant Testing Fund pursuant to Tennessee Code Annotated, Section 55-10-419.

Item 36. To the Department of Safety from revenues and reserves available to the following programs:

(a) Motorcycle Rider Safety reserve fund pursuant to Tennessee Code Annotated, Section 55-51-104.

(b) Driver Education reserve fund pursuant to Tennessee Code Annotated, Section 67-4-606(2)(B).

Item 37. To the Department of Transportation for payments to the Risk Management Fund. Said appropriation shall be made from the highway fund balance.

Item 38. To the Department of Transportation, Division of Air, Water and Rail, from the Transportation Equity Fund. This appropriation is subject to the availability of revenue in the fund.

Item 39. To meet obligations of the program created in Tennessee Code Annotated, Title 49, Chapter 7, Part 8.

SECTION 9. In addition to the appropriations made in Section 4 of this act and subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, there is hereby appropriated a sum sufficient:

Item 1. To the Attorney General and Reporter, if the appropriation made in Section 4, Title III-1, Item 1.1, shall prove inadequate to allow the Attorney General and Reporter to represent the state agencies and officials before the Claims Commission, or state agencies and officials in other cases of litigation or other legal matters. The Commissioner of Finance and Administration, upon the

request of the Attorney General and Reporter, is hereby authorized to increase the departmental revenue estimate by an amount sufficient to provide for such representation and to establish positions as may be required.

Item 2. To the Attorney General and Reporter a sum sufficient from the Risk Management Fund for the purposes of implementing the provisions of Tennessee Code Annotated, Title 8, Chapter 42, relative to legal representation for state employees. The Commissioner of Finance and Administration, upon the request of the Attorney General and Reporter, is authorized to establish positions as may be required to implement the provisions of Tennessee Code Annotated, Title 8, Chapter 42.

Item 3. To the Registry of Election Finance from fees collected by the agency.

Item 4. To the State Treasurer, with the concurrence of the Speaker of the Senate and the Speaker of the House of Representatives, for the purpose of developing and implementing programs designed to enhance investment performance, including programs designed to recruit, hire, and retain qualified investment staff. The State Treasurer, with approval from the Commissioner of Finance and Administration, is further authorized to establish additional positions and funding for such positions needed to effectuate the purposes of this section.

Item 5. To the State Treasurer for payment of Unclaimed Property – Claims.

Item 6. To the State Treasurer from the revolving account created pursuant to Tennessee Code Annotated, Section 9-4-603(g). This appropriation shall take effect upon becoming law, the public welfare requiring it.

Item 7. To the Office of the District Public Defenders Conference pursuant to Tennessee Code Annotated, Section 40-14-210. Additional positions as required are authorized to be established.

Item 8. From federal funds available to the Tennessee Housing Development Agency, there is hereby appropriated a sum sufficient to meet obligations incurred by the agency, pursuant to the federal Section 8 program.

Item 9. To Tennessee Rehabilitative Initiative in Correction Board (TRICOR), in an amount equal to the balance in the revolving fund, for benefit of the program.

Item 10. To the Tennessee State Museum from (a) deferred revenue and departmental revenues available to the museum to be used for the purchase of artifacts, and (b) donations made to the State Museum. Any unexpended revenues shall not revert to the general fund balance at June 30 and such revenues shall be carried forward in a reserve at June 30 and are hereby reappropriated in the subsequent fiscal year.

Item 11. From the fund created in Tennessee Code Annotated, Section 65-5-113, to the Commissioner of Finance and Administration for purposes of conducting a purchasing disparity study.

Item 12. To the Department of General Services for equipment and supplies ordered but not delivered at June 30, 2008.

Item 13. To the Department of General Services, Property Utilization, from available revenues and reserves.

Item 14. To the Department of Tourist Development from revenues received from communities, businesses, non-state organizations, federal funds, and other sources of departmental revenue to be used for marketing programs of the department. Any unexpended balances at June 30 shall be carried forward in a reserve and are hereby reappropriated in the subsequent fiscal year.

Item 15. To the Department of Environment and Conservation, West Tennessee River Basin Authority, from funds provided by the counties within the authority area.

Item 16. To the Department of Correction all monies collected as contraband from the inmate population at any of the facilities operated by or under authority of the department. Any unexpended revenue shall not revert to the state general fund balance pursuant to Tennessee Code Annotated, Section 4-6-147.

Item 17. To the Department of Economic and Community Development from revenues received from communities, businesses, non-state organizations, federal funds, and other sources of departmental revenue to be used for marketing programs of the department. Any unexpended balances at June 30 shall be carried forward in a reserve and are hereby reappropriated in the subsequent fiscal year.

Item 18. To the Department of Economic and Community Development:

(a) To meet community development block grant expenditure requirements. This appropriation shall be from federal aid funds.

(b) From monies received from conferences, trade missions, trade shows and other activities which reimburse the state for expenses.

(c) From interest earnings allocated to the FastTrack Program; Job Skills Fund; and Small Cities Community Development Block Grant (CDBG).

(d) From revenues and reserves of the Small Business Energy Loan Program and Local Government Energy Loan Program.

Item 19. To the Tennessee Film, Entertainment and Music Commission from departmental revenues received by the Commission. This appropriation is subject to approval by the Commissioner of Finance and Administration.

Item 20. To the Tennessee Industrial Finance Corporation from any revenues available to the organization to be expended pursuant to Tennessee Code Annotated, Section 4-17-404.

Item 21. To the Department of Commerce and Insurance, Division of Fire Prevention, for payment of electrical inspections. This appropriation is contingent upon the fees collected for making electrical inspections being in excess of the budgeted estimate.

Item 22. To the Department of Labor and Workforce Development from federal aid funds and other departmental revenues. Subject to this appropriation, authorized positions may be increased up to one hundred (100) positions.

Item 23. To the Department of Mental Health and Developmental Disabilities from revenue received from behavioral health organizations and other non-state organizations for inpatient mental health services provided for publicly funded or potentially publicly funded persons.

Item 24. To the Department of Military, TEMA and Disaster Relief Grants, from federal aid disaster relief funds.

Item 25. To the Tennessee Bureau of Investigation from revenues and reserves available to the following programs:

(a) To conduct records and background checks for handgun carry permits pursuant to Tennessee Code Annotated, Section 39-17-1351.

(b) To conduct criminal history records checks on purchasers of firearms (Tennessee Instant Check System – TICS) pursuant to Tennessee Code Annotated, Section 39-17-1316.

Item 26. To the Department of Safety, the Department of Revenue, the Tennessee Bureau of Investigation, the Tennessee National Guard and the Alcoholic Beverage Commission from the proceeds of property seized and forfeited under federal procedures which are shared with the departments or the commission.

Item 27. To the Department of Transportation from local government funds, federal aid and other departmental revenues.

Item 28. To the Department of Commerce and Insurance, Division of Securities, from the revenues and reserves of the Securities Enforcement and Legal Training reserve.

SECTION 10. The appropriations made by this act under Sections 1 and 4 shall be subject to the following provisions, limitations, or restrictions:

Item 1. Notwithstanding any provision of the law to the contrary, any institution which receives state funds appropriated by the provisions of this act shall be subject to audit by the Comptroller of the Treasury as to the expenditure and obligation of such funds.

Item 2. Any personal services, professional services or consultant services contracts concerning management services of all types, management studies, planning services, public relations, evaluations, systems designs, data processing, auditing or accounting services entered into by an executive department or agency of state government shall be executed by the head of such department or agency and shall be subject to approval by the Commissioner of Finance and Administration and the Comptroller of the Treasury. No funds appropriated under this act to a department or agency shall be used for such contracts unless such approval is received or is otherwise authorized by the approving officials. Any such contract entered into by agencies of the legislative or judicial branches shall be subject to the approval of the Comptroller of the Treasury.

Item 3. No funds appropriated by this act shall be obligated and/or expended for any newsletter, periodical, or other material which is to be distributed to all, or substantially all, state employees (excluding higher education) until the agency head proposing to make such distribution contacts the two Speakers and makes available equal space for legislative information in such newsletter, periodical, or other material. This item shall not apply to policy and/or procedural directives.

Item 4. From the funds appropriated to the TennCare program, the state shall comply with applicable federal law.

Item 5. During fiscal year 2008-2009 it is the legislative intent to encourage that all conferences, workshops, meetings, seminars, programs, and similar endeavors conducted for officials and/or employees of the legislative, executive, or judicial branch of state government be conducted in state facilities whenever practicable.

Item 6. From the appropriation for travel expenses of Justices of the Supreme Court and for the members of the Court of Appeals and the Court of Criminal Appeals, each member of said Courts shall be reimbursed for necessary traveling expenses incurred by them during their absence from the counties of their residence on official business; provided, however, that such travel expenses shall be limited to board and lodging and mileage each way necessary to travel on official business. Any judge seeking reimbursement for official expense under this section shall file with the Director of the Administrative Office of the Courts, or other official upon whom this duty may be lodged by law, a statement of such amounts necessarily expended by him in the discharge of such official duties and upon receipt of this verified statement, warrant for reimbursement for such expenses shall be issued.

Item 7. The Supreme Court shall fix the salaries of the marshals for the Eastern, Middle, and Western Divisions, which salary shall be payable out of the appropriations for Appellate Court Clerks.

Item 8. The commission in charge of the Supreme Court Building in Nashville, established by Tennessee Code Annotated, Section 16-3-701, is authorized to employ an experienced Engineer-Superintendent to supervise the air-conditioning and heating of the Supreme Court Building at Nashville and to employ the necessary assistants to keep and maintain the building. Payment for said services shall be paid out of the appropriations made by this act.

Light, heat and water for the Supreme Court Building in Nashville and for the Supreme Court Building in Knoxville is to be provided by the Department of General Services out of the appropriation herein made for it.

Item 9. Employees of the office of the Executive Secretary to the District Public Defender's Conference, District Public Defenders and employees of a District Public Defender's Office, as created pursuant to Tennessee Code Annotated, Title 8, Chapter 14, shall only travel and shall be reimbursed for travel expenses in accordance with the provisions of the comprehensive travel regulations promulgated by the Department of Finance and Administration and approved by the Attorney General.

Item 10. The appropriation made in Section 1, Title III-1, Item 5.9 for the Tax Relief Program, is made for the purpose of providing tax relief for elderly low-income homeowners, disabled homeowners, and disabled veteran homeowners, as provided by law. The income eligibility limit for elderly low-income homeowners and for homeowners totally and permanently disabled shall be adjusted for the fiscal year 2008-2009 under the provisions of Tennessee Code Annotated, Sections 67-5-702 and 67-5-703.

Item 11. Notwithstanding any provision of the law to the contrary, from the appropriations made for the Department of the Treasury, there is hereby appropriated funds sufficient to defray the cost of administering, on behalf of state employees compensated on the centralized state payroll system, Tennessee Code Annotated, Title 8, Chapter 25, Part 1, the same being the "Government Employees' Deferred Compensation Plan Act", and Tennessee Code Annotated, Title 8, Chapter 25, Part 3, the same being the "Profit Sharing or Salary Reduction Plans for State Employees", and Tennessee Code Annotated, Section 8-25-501, the same being a "Cafeteria Benefits Plan" for state employees.

Item 12. Subject to the concurrence of the Commissioner of Finance and Administration, the Commissioner of Personnel is authorized to develop and implement a system whereby the cost of the Civil Service Commission and of services rendered to the Department of Personnel by the Administrative Procedures Division of the Department of State is recovered from those departments, boards and commissions to whom services are rendered.

Item 13. The funds appropriated in Section 4, Title III-3, Item 4, to Forestry Operations, shall include the proceeds from timber sales conducted by the Department of Agriculture. It is the legislative intent that said proceeds shall be accounted for as departmental revenue.

Item 14. From the appropriation made for the Department of Tourist Development, there is hereby appropriated a sum not to exceed twelve thousand five hundred dollars (\$12,500.00), sufficient to defray the cost of advertising and other expenses in connection with special events in which Tennessee is represented and/or events within the state for which Tennessee will act as official host. Any allotment of funds made under the authority of this section shall be made only on the approval of the Commissioner of Finance and Administration.

Item 15. From the appropriations made in this act, there shall be paid expenses incurred by the Department of Economic and Community Development and the Department of Tourist Development, representing the state in its official capacity; provided, however, that nothing herein shall authorize the expenditure by each agency for such purposes in excess of five thousand dollars (\$5,000.00) per annum. The amount and purposes of such expenses are subject to approval by the Commissioner of Finance and Administration.

Item 16. From the appropriations made to State Prosecutions in Section 1, Title III-7, Item 2, payments to reimburse counties for housing state prisoners shall not exceed \$35.00 per inmate per day. Provided, however, the \$35.00 per inmate per day limitation on reimbursement payments shall be inapplicable to the extent the state is obligated by the specific terms of a written contract to provide reimbursement at a rate in excess of \$35.00 per inmate per day, but only to the extent of that contractual obligation.

Item 17. Notwithstanding any provision of the law to the contrary, where a judicial proceeding is transferred from one jurisdiction to another for trial on a defendant's motion for change of venue, the limitation of five hundred dollars (\$500.00) for the board and lodging of the jury shall not apply, provided the Comptroller of the Treasury on the advice of the State Attorney General, determines that additional funds for boarding and lodging the jury are necessary.

Item 18. No funds appropriated by the provisions of this act to the Department of Economic and Community Development shall be used to contract for services, or to renew any contract for services, with any individual or entity if such individual or entity's position presents an actual or apparent conflict of interest between duties owed to the State of Tennessee under such contract and duties owed to any third party. It is the legislative intent that work performed under service contracts shall be performed in-house by the department to the extent possible.

Item 19. The Department of Mental Health and Developmental Disabilities is authorized to expend up to one hundred fifty thousand dollars (\$150,000) in available funds for the purpose of implementing the provisions of Tennessee Code Annotated, Section 12-4-330, and such funds are specifically appropriated for that purpose.

Item 20. The appropriation to the Department of Health, Trauma System Fund, in Section 1, Title III-16, Item 2.5, is made pursuant to Tennessee Code Annotated, Title 68, Chapter 59, "Tennessee Trauma Center Funding Law of 2007". Subject to approval by the Commissioner of Finance and Administration

there is hereby appropriated a sum sufficient from the Trauma System Fund reserve.

Item 21. Within the amount appropriated in Section 1, Title III-17, and in Section 4, Title III-17, for Temporary Assistance to Needy Families, the Commissioner of Human Services shall establish by rule or regulation, pursuant to the provisions of Tennessee Code Annotated, Section 71-3-155, to be effective July 1, 2008, the standard of need for each family size in the Families First program; provided, the maximum grant for each family size will remain at the Fiscal Year 2007-2008 established level; and, provided further, that the Commissioner of Human Services, in consultation with the Commissioner of Finance and Administration, may by rule to be effective on July 1, 2008, establish certain categories of Families First recipients to whom an additional grant differential for the family size up to a maximum of fifty dollars (\$50.00) per family may be paid.

Item 22. The appropriations to the Department of Revenue under Section 1, Title III-18, provide for all the activities of the department and include amounts in lieu of percentages allowed by law on collection of certain taxes and revenues; such percentage shall be covered into and made a part of the general fund. Appropriations also include amounts for motor vehicle registration and any other activities which may be administered by the Department of Revenue and/or the Department of Safety.

Item 23. The appropriation to the Tennessee Association of Rescue Squads in Section 1, Title III-22, Item 9, is for the sole purpose of maintaining a state headquarters of the association and to pay the salary of an executive director of the association and other expenses appurtenant thereto.

Item 24. Notwithstanding any provision of the law to the contrary, the Department of Transportation shall not release or make available information which reveals the amount of funding available for any project.

Item 25. No funds appropriated by the provisions of this act for any specialty license plate shall be allocated by the Department of Finance and Administration to the Department of Revenue until such plate has met all statutory requirements for issuance.

Item 26. The General Assembly recognizes that demands on available state revenue are such that it may be necessary to establish priorities among state services and programs and to revise the methods of allocating state resources. Therefore, it is the legislative intent that local governments should consider in undertaking long-term obligations based on state payments, specifically state per diem payments for housing state inmates in local jails, that existing payments may be reduced or eliminated in the future and such not be regarded as the principal source of funding for debt repayment obligations.

Item 27.

(a) From the funds appropriated to the Department of Transportation, there is earmarked a sum sufficient for the sole purpose

of implementing Chapter 614 of the Public Acts of 2008, Chapter 699 of the Public Acts of 2008, Chapter 732 of the Public Acts of 2008, Chapter 758 of the Public Acts of 2008, Chapter 754 of the Public Acts of 2008, Chapter 745 of the Public Acts of 2008, Chapter 761 of the Public Acts of 2008, Chapter 759 of the Public Acts of 2008 and Chapter 810 of the Public Acts of 2008.

(b) From the funds appropriated to the Department of Transportation, there is earmarked a sum sufficient for the sole purpose of implementing House Joint Resolution No. 336, House Joint Resolution No. 424, House Joint Resolution No. 1065, House Joint Resolution No. 1066, House Joint Resolution No. 1076, House Joint Resolution No. 1246 and House Joint Resolution No. 1384, if such resolutions become law.

Item 28. From the funds appropriated to the Commission on Children and Youth, there is earmarked the sum of \$105,700 for the sole purpose of implementing Senate Bill No. 2582/House Bill No. 2502, relative to creation of a Council on Children's Mental Health Care, if such bill becomes law.

Item 29. From the funds appropriated to the Department of Environment and Conservation, there is earmarked the sum of \$700 for the sole purpose of implementing Senate Joint Resolution No. 502, relative to naming Bon Aqua Woods State Natural Area in honor of John Noel, if such resolution becomes law.

Item 30. From the funds appropriated to the Department of Military, there is earmarked the sum of \$4,400 for the sole purpose of implementing House Joint Resolution No. 889, relative to naming the National Guard Armory in Livingston in honor of Sergeant Robert Wesley Tucker, if such resolution becomes law.

Item 31. From the funds appropriated to the Department of Military, there is earmarked a sum sufficient for the sole purpose of implementing House Joint Resolution No. 1239, relative to naming the National Guard Armory in Crockett County in honor of Lieutenant General John G. Castellaw, if such resolution becomes law.

Item 32. From the funds appropriated to the Department of Military, there is earmarked the sum of \$2,200 for the sole purpose of implementing Senate Bill No. 3499/House Bill No. 2990, relative to naming the National Guard Armory in Winchester in honor of Otis W. Bauer, if such bill becomes law.

Item 33. From the funds appropriated to the Department of Education, there is earmarked the sum of \$17,290 for the sole purpose of reimbursing a local board of education for early childhood education expenses.

Item 34. From the funds appropriated to the Department of Safety, there is earmarked the sum of \$391,100 for the sole purpose of implementing Senate Bill No. 2720/House Bill No. 3410, relative to verification of handgun permit applications, if such bill becomes law.

Item 35. From the funds appropriated to the Tennessee Board of Regents System, there is earmarked the sum of \$75,000 for the sole purpose of implementing Senate Bill No. 3451/House Bill No. 3123, relative to an education pilot project, if such bill becomes a law.

Item 36. From the funds appropriated to the Sex Offender Treatment Board, there is earmarked the sum of \$6,000 for the sole purpose of implementing Senate Bill No. 2822/House Bill No. 2646, relative to sexual offenses committed against children, if such bill becomes law.

Item 37. From the appropriation in Section 1, Title III-3, Item 3, Department of Agriculture, Market Development, the following amounts are earmarked:

(a) Non-recurring grants of \$250,000 to the Future Farmers of America (FFA) and \$250,000 to the 4-H Foundation; and

(b) A sum sufficient to the boll weevil eradication program to ensure that the state appropriated producer assistance shall not be less than the fiscal year 2007-2008 level of \$7.55 per acre.

Item 38. From revenues derived from regulatory fees paid pursuant to Tennessee Code Annotated, § 49-7-2014, there is hereby appropriated to the Tennessee Higher Education Commission the sum of \$430,000 for the addition of five (5) full-time positions and related expenses to implement recommendations of the Joint Legislative Study Commission on Proprietary Schools and Career Colleges, to improve the regulatory process through the audit of and enhanced data reporting by institutions subject to the provisions of Tennessee Code Annotated, Title 49, Chapter 7, Part 20.

Item 39. Notwithstanding any provision of this act to the contrary, if any funds are required in addition to the original contract bid amount for any major information system project contract negotiated by or bid through the Department of Finance and Administration, whether due to change orders, amendments, modifications to services required or any other circumstance, the Commissioner of Finance and Administration shall notify the chairs of the Finance, Ways and Means Committees of the additional amounts required.

Item 40. From the funds appropriated to the Department of Transportation, there is earmarked the sum of \$13,200 for the sole purpose of implementing Senate Bill No. 2576/House Bill No. 2495, relative to directional signs for airports, if such bill becomes a law.

Item 41. From the funds appropriated to the Department of Transportation, there is earmarked the sum of \$31,200 for the sole purpose of implementing Senate Bill No. 2716/House Bill No. 2794, relative to high occupancy vehicle lanes, if such bill becomes a law.

Item 42. From growth exceeding budget estimates from TVA in lieu of tax payments to the state or other funds being available as determined by the Commissioner of Finance and Administration, an amount not to exceed \$545,500

shall be appropriated to Four Lakes Regional Development Authority. Such appropriation shall be subject to certification by the Commissioner of Finance and Administration that growth has exceeded budget estimates and upon the provisions of Senate Bill No. 3617/House Bill No. 3354 becoming law. In addition, should Senate Bill No. 2763/House Bill No. 2718 not become a law, the recurring sum of \$200,000 is hereby appropriated to fund Senate Bill No. 3617/House Bill No. 3354. In addition, should Senate Bill No. 3528/House Bill No. 3211 not become a law, the recurring sum of \$219,900 is hereby appropriated to fund Senate Bill No. 3617/House Bill No. 3354.

Item 43. From the reserve for alcohol drug addiction treatment in the Department of Mental Health, there is appropriated the sum of \$300,000 each to the Davidson County and Shelby County drug courts to be used for programmatic and operational expenses.

SECTION 11. The appropriations made by this act under Sections 1 and 4 to the Department of Education shall be subject to the following provisions, limitations, or restrictions:

Item 1. The appropriation made in Section 1, Title III-9, Item 2.1c, for the Basic Education Program (BEP), shall be administered pursuant to the provisions of the Education Improvement Act (Public Chapter No. 535 of the Public Acts of 1992) and Public Chapter No. 369 of the Public Acts of 2007. The BEP formula shall be calculated for the fiscal year using the following criteria:

a) The state shall provide seventy percent (70%) of the funds generated for the instructional positions component;

b) The dollar value of the BEP instructional positions component shall be thirty-eight thousand dollars (\$38,000);

c) The formula shall provide one hundred percent (100%) funding for at-risk students in grades K-12;

d) The formula shall provide funding for English language learners at a ratio of one to thirty (1:30) and one to three hundred (1:300) for teachers to students and translators to students, respectively;

e) Each local education agency (LEA) shall receive no less than a twenty-five percent (25%) state share in the non-classroom components;

f) The cost differential factor shall be applied at a level of fifty percent (50%); and

g) Local fiscal capacity shall be calculated by applying a weight of fifty percent (50%) of the current multiple regression analysis model and fifty percent (50%) of the model based on local jurisdictions' ability to raise revenue for education from local option sales tax and property tax as provided in Public Chapter 369 of 2007.

Item 2. From the appropriations made to the Department of Education under Section 1, Title III-9, of this act, the Department of Education is authorized to pay through disbursements to local education agencies (LEAs), for the benefit of eligible local education employees and their dependents, an amount not to exceed forty-five percent (45%) of the total statewide cost, based on the Basic Education Program (BEP) formula, of such persons' participation in the basic accident and medical expense insurance plan authorized by Tennessee Code Annotated, Title 8, Chapter 27, Part 3.

The Local Education Insurance Committee shall determine a calendar year 2009 plan of benefits, related services, and monthly premiums for each of the health care options offered through the "basic plan" it authorizes pursuant to Section 8-27-302, Tennessee Code Annotated, which results, with reasonable certainty, in the provision of sufficient revenues to pay plan expenses and to provide for the funding of reserves for estimated incurred but unreported claims. The aggregate amount of funds obligated through the determination of the plans of benefits and the monthly premiums by the Local Education Insurance Committee shall not exceed the amount appropriated to the Department of Education, Basic Education Program's insurance component in this act. The monthly premiums shall be subject to the approval of the Commissioner of Finance and Administration pursuant to Section 4-3-1006, Tennessee Code Annotated.

The Local Education Insurance Committee shall recognize the annualized rate and benefits adjustments intended to be effective on January 1, 2009, which are required so that the plan of benefits, on an annualized basis, shall not exceed the recurring amount appropriated to the Department of Education.

Item 3. From the appropriation made to the Department of Education under Section 1, Title III-9, of this act, for technology programs, there is hereby earmarked a sum sufficient for the expenditures of the Web Project.

Item 4. From the appropriation made in Section 1, Title III-9, Item 2.1(c) BEP and Other LEA Support, it is the legislative intent to provide additional BEP funding for student enrollment growth on a current year student basis pursuant to Tennessee Code Annotated, Section 49-3-351(d).

Item 5. Under the provisions of Tennessee Code Annotated, Sections 49-3-357 and 49-3-358, pertaining to interest accruing on investments and deposits to the Education Trust Fund and the Basic Education Program, it is the legislative intent that only interest earnings be recognized and that no interest expense be charged to the fund and the program.

Item 6. The Department of Education shall submit to the Office of Legislative Budget Analysis the revised BEP funding formula for the ensuing fiscal year no later than January 1 of each year.

Item 7. Local education agencies are required to report average daily membership (ADM) to the Department of Education on a scheduled basis. To the extent a local education agency fails to report accurate and timely ADM information to the department, the BEP payments for the subsequent fiscal year

shall be based on the second prior year ADM figure, unless the late-reported ADM figures are lower than the second prior year.

SECTION 12.

Item 1. There is hereby appropriated the sum of three million dollars (\$3,000,000.00) to the Department of Human Services, which sum shall be in addition to all other appropriations made to the Department of Human Services and which sum shall be used for the sole purpose of increasing the amount available to social service contractors, as provided for in Tennessee Code Annotated, Title 71, Chapter 1, Part 2.

Item 2. It is the intent of the General Assembly that the Commissioner of Finance and Administration shall have the authority to promulgate, as public necessity rules pursuant to Tennessee Code Annotated, Section 4-5-209, those rules and regulations which concern the Medicaid/TennCare program, including Medicare Crossover payments, and which require promulgation in order for the state to fiscally function (i) within the appropriations provided for the Medicaid/TennCare program or (ii) within the availability of revenues received for the Medicaid/TennCare program.

Item 3.

(a) If Senate Bill No. 4032/House Bill No. 3925 becomes a law, there is appropriated to the Department of Finance and Administration the sum of \$100,000 from the Criminal Injuries Compensation Fund for the purpose of making a grant in such amount to support the "Tommy Burks Victim Assistance Academy".

(b) If Senate Bill No. 4032/House Bill No. 3925 does not become a law, there is appropriated to the State Treasurer the sum of \$100,000 from the Criminal Injuries Compensation Fund for the purpose of granting the same in accordance with the provisions of Tennessee Code Annotated, § 29-13-116.

Item 4. In addition to any other funds appropriated by the provisions of this act, there is hereby appropriated to the Department of Finance and Administration for distribution to the appropriate entities a sum sufficient to fund any bill on which the fiscal note indicates that the cost of implementation of the bill is minimal or not significant. It is the legislative intent that if funding is earmarked for implementation in such bills that the funds appropriated in this item be reduced accordingly. It is the legislative intent to recognize a revenue loss from bills that result in no expenditure increase but forgo revenue which has not been collected previously.

Item 5. In addition to any other funds appropriated by the provisions of this act, if the fiscal note on any bill states that state revenues would be increased in an amount equal to or greater than state expenditures as a result of the enactment of such bill, then there is appropriated a sum sufficient from such increased revenue to the appropriate entity, as determined by the Commissioner of Finance and Administration, to implement such bill.

Item 6. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient to the Department of Finance and Administration for distribution to the appropriate entities for the sole purpose of implementing Senate Bill No. 2400/House Bill No. 2433, Senate Bill No. 3017/House Bill No. 2865, Senate Bill No. 2815/House Bill No. 2761, Senate Bill No. 4075/House Bill No. 4053, Senate Bill No. 1566/House Bill No. 1875, Senate Bill No. 2697/House Bill No. 2804, Senate Bill No. 2399/House Bill No. 2808, Senate Bill No. 784/House Bill No. 1921, Senate Bill No. 4011/House Bill No. 3903, Senate Bill No. 2554/House Bill No. 3418, Senate Bill No. 3840/House Bill No. 3386, Senate Bill No. 2718/House Bill No. 2733, Senate Bill No. 3565/House Bill No. 2615, Senate Bill No. 3280/House Bill No. 3637, Senate Bill No. 1172/House Bill No. 957, Senate Bill No. 3342/House Bill No. 4141, Senate Bill No. 2626/House Bill No. 2449, Senate Bill No. 1162/House Bill No. 261, Senate Bill No. 2866/House Bill No. 2743, Senate Bill No. 219/House Bill No. 164, Senate Bill No. 1054/House Bill No. 852, Senate Bill No. 3379/House Bill No. 3200, Senate Bill No. 3689/House Bill No. 3034, Senate Bill No. 3058/House Bill No. 2788, Senate Bill No. 3528/House Bill No. 3211, Senate Bill No. 4012/House Bill No. 3936, Senate Bill No. 2620/House Bill No. 2586, Senate Bill No. 3804/House Bill No. 3511, Senate Bill No. 2763/House Bill No. 2718, Senate Bill No. 771/House Bill No. 71, Senate Bill No. 3126/House Bill No. 3297, Senate Bill No. 2973/House Bill No. 2765, Senate Joint Resolution No. 662, House Joint Resolution No. 909, House Resolution No. 390 and House Resolution No. 325, if such bills and resolutions become law. It is the legislative intent that if funding is earmarked for such implementation in such bills or resolutions that the funds appropriated in this item be reduced accordingly.

Item 7.

(a) The Commissioner of Finance and Administration shall transfer from the general fund to the transportation fund a sum sufficient equal to the appropriations in this item.

(b) In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient to the Department of Transportation for the sole purpose of implementing Senate Bill No. 2803/House Bill No. 2515, Senate Bill No. 2573/House Bill No. 2560, Senate Bill No. 3472/House Bill No. 2977, Senate Bill No. 2608/House Bill No. 2486, Senate Bill No. 2788/House Bill No. 2687, Senate Bill No. 2762/House Bill No. 2722, Senate Bill No. 2574/House Bill No. 2493, House Joint Resolution No. 1090 and House Joint Resolution No. 1399, if such bills and resolutions become law.

Item 8. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$57,600 for the sole purpose of implementing Senate Bill No. 2716/House Bill No. 2794, relative to high occupancy vehicle lanes, if such bill becomes law.

Item 9. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient not to exceed \$10,000 for the sole purpose of implementing House Joint Resolution No. 1335, relative to naming the

Tennessee Client Services Building in Chattanooga in honor of James R. Mapp, if such resolution becomes law.

Item 10.

(a) In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,500 to the Tennessee Historical Commission for the sole purpose of manufacturing and erecting a historical marker at the Cowan Railroad Museum in Franklin County.

(b) In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$20,000 to the Tennessee Historical Commission for the sole purpose of the continuation of the historical interpretation pilot project for interpretation of properties listed on the National Register of Historic Places in Henderson County, including trail development. It is the intent of the General Assembly that such funds be distributed to the same property funded in Section 12, Item 19, of Chapter 603 of the Public Acts of 2007.

(c) In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,500 to the Tennessee Historical Commission for the purpose of manufacturing and erecting a historical marker commemorating the First Community Church in Nashville and its former pastor, the Reverend C. T. Vivian, for his contributions to the Nashville civil rights movement.

Item 11. In addition to any other funds appropriated by the provisions of this act, there is appropriated a one-time non-recurring sum of \$3,200,000 to the Tennessee Student Assistance Corporation for the sole purpose of supplementing Tennessee student assistance awards.

Item 12. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,500,000 (non-recurring) to the Department of Labor and Workforce Development, division of adult education, to be used for adult education instructional tutors and GED testing.

Item 13. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$500,000 (non-recurring) for grants of \$250,000 each to the Future Farmers of America (FFA) and the 4-H Foundation.

Item 14. In addition to any other funds appropriated by this act, there is appropriated the sum of \$2,250,000 (non-recurring) for the Agriculture Resources Conservation Fund.

Item 15. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$25,000 (non-recurring) to the Tennessee Arts Commission for the purpose of establishing a performing arts facility grant pilot project. It is the legislative intent that the Tennessee Arts Commission make at least one grant for construction, improvements or renovations of an existing performing arts facility in fiscal year 2008-2009.

Item 16. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient for the sole purpose of maintaining the employer matching contribution at a maximum level of fifty dollars (\$50.00) per month for each employee authorized to participate in the state employee 401(k) program pursuant to Tennessee Code Annotated, § 8-25-303.

Item 17. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$75,000 to the University of Tennessee for the new Center for Public Policy, to be used for programs and operations.

Item 18. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to Mississippi River Corridor–Tennessee, to be used for programs and operational expenses.

Item 19. In addition to any other funds appropriated by this act, there is appropriated the sum of \$50,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the Civil Rights Museum to be used for programs and operations.

Item 20. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 to the Administrative Office of the Courts for the sole purpose of making a grant in such amount to establish a victim restitution pilot project for individuals defrauded in Knox County through the purchase of cemetery plots or other cemetery services. Such pilot program shall be administered by the Clerk and Master of the Chancery and Probate Court of Knox County.

Item 21. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 to the Department of Education for the sole purpose of making a grant in such amount for one public high school security fencing pilot program including, but not limited to, acquisition, installation and associated costs of security fencing.

Item 22. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to TennCare for the sole purpose of making a grant in such amount to the Department of Children's Services for CPORT.

Item 23. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$862,900 to the Department of Children's Services for the sole purpose of CPORT (Children's Program Outcome Review Team). The Commissioner of Finance and Administration is authorized to make necessary adjustments to effectuate this item and shall not reduce authorized full-time positions of the commission by seventeen (17).

Item 24. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$350,000 (non-recurring) to the Tennessee Housing Development Agency for programs and operational expenses.

Item 25. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$500,000 (non-recurring) to the Department of Education for the sole purpose of public television grants-in-aid.

Item 26. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,000,000 to the UT Health Science Center for genomic biology research.

Item 27. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$190,000 (non-recurring) to the Department of Health for the sole purpose of making a grant in such amount to the Men's Health Awareness Network. Prior to April 1, 2009, the Comptroller of the Treasury shall audit the activities and expenditures of the network and shall file findings and recommendations with the Finance, Ways and Means Committees of the Senate and the House of Representatives.

Item 28. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$162,800 to the Department of Health for nutrition services education and public information.

Item 29. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$424,000 to the Department of Health for dental health clinical services.

Item 30. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$20,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to West Tennessee Family Solutions, to be used for defrayal of capital expenditures benefiting the Good Life Center day program for mentally retarded citizens.

Item 31. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$90,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to The Pink Palace Museum in Memphis, to be used for creating a museum curator program in partnership with the University of Memphis, UT Martin and the UT Science Center.

Item 32. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$95,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the National Institute for Law and Equity in Memphis, to be used for programs and services addressing childhood maltreatment and pathways to delinquency.

Item 33. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to the Tennessee Arts Commission for the sole purpose of making a grant in such amount to the Stax Museum in Memphis, to be used for acquisitions, operating expenses, and other improvements.

Item 34. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$136,300 to the Department of Health

for the sole purpose of making a grant in such amount to St. Jude Hospital in Memphis, to defray, in whole or in part, the expenses of patients and their families who are citizens and residents of Tennessee in traveling to and from St. Jude Hospital. Such payments shall be administered by the hospital and shall be made on the basis of need. Such patients, or their families, requesting assistance from these funds shall supply such documents supporting need and travel expenses as the hospital may require.

Item 35. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$15,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to Little River Watershed Association, to be used for programmatic and operational expenses.

Item 36. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$25,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to A Secret Safe Place for Newborns of Tennessee, Inc., to be used for programs, services and operational expenses.

Item 37. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$68,000 to the Board of Probation and Parole for the sole purpose of making a grant in such amount to Project Return, to be used to provide direct services to adult offenders and ex-offenders preparing for release or returning to the community.

Item 38. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$150,000 (non-recurring) to the Tennessee Wars Commission for the sole purpose of battlefield preservation, battlefield monuments and markers, and battlefield educational materials.

Item 39. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 (non-recurring) to the Ned McWherter Center for Rural Development for low-income students.

Item 40. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to the Department of Mental Health and Developmental Disabilities for the sole purpose of making a grant in such amount to Wellness Center for AIM Center for the Mentally Ill, for programs and operational expenses.

Item 41. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to the Administrative Office of the Courts for the sole purpose of making grants to victim-offender mediation centers for stabilization and expansion of mediation services in the Upper Cumberland region.

Item 42. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to

Project Safe Neighborhood Initiative, Jackson, Tennessee, for programs and operational expenses.

Item 43. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$25,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the Metropolitan/Davidson County Drug Court, to be used for operational expenses.

Item 44. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 to the Department of Human Services for the sole purpose of making a grant in such amount to Memphis Food Bank, to be used for acquiring, handling, and transporting food to feed the hungry.

Item 45. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to the Tennessee Arts Commission for the sole purpose of making a grant in such amount to Community Arts Development of Dickson County, Inc., for programs and operational expenses.

Item 46. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$75,000 to the Department of Finance and Administration for the sole purpose of making a grant in such amount to In Full Motion, Inc., Nashville, for programs and operational expenses.

SECTION 13. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. The Commissioner of Finance and Administration is authorized to reallocate appropriations for Board of Claims premiums and property insurance premiums among state agencies and programs, based on the actuarial study provided by the State Treasurer, and to adjust federal and other departmental revenues accordingly. There is further appropriated for this purpose sums sufficient from dedicated and earmarked revenues to provide for the allocation of appropriations to those agencies and programs funded by dedicated and earmarked revenues. The Commissioner of Finance and Administration also shall reduce appropriations from the general fund and from dedicated and earmarked revenues where necessary, to reflect the allocations of the actuarial study.

Item 2. From the appropriation made in Section 4, Title III-1, Item 7.3, Risk Management Fund, funds may be expended for purposes outlined in TCA 9-8-109(d) including, but not limited to, contracting with a third party for claims management services.

SECTION 14. The appropriations made by this act and all other appropriations, including appropriations of departmental revenues as set forth in Section 4 of this act, except such as may be made for the expenses of the Legislative Branch, and the appropriations made for the Judiciary, including the Attorney General and Reporter, District Attorneys General, Public Defenders, and the Office of the Post-Conviction Defender, the Secretary of State, Comptroller of the Treasury and State Treasurer, shall

be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, which shall remain in full force and effect; and in case of conflict with any other law, the provisions of such laws shall prevail, except as otherwise herein specifically provided. All appropriations except those made by acts authorizing bond issues and expenditures thereof and those excepted from obligations and expenditure hereinabove, though made by other statutes, shall likewise be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

SECTION 15.

Item 1. No part of the fund appropriated to any department, office, instrumentality, or agency of the state government shall be expended in any other such entity, but if the head of any department, office, commission or instrumentality of the state government finds that there is a surplus in any classification, division, or unit under such entity, and a deficiency in any other division, unit or classification, then in that event the head of such department, office, commission or instrumentality of the state government may transfer such portion of such funds as may be necessary for the one division, unit or classification where the surplus exists to the other, except as otherwise provided herein, provided such transfer is approved by the Commissioner of Finance and Administration. Such transfer of funds pursuant to this item shall be subject to the approval of a majority of a committee composed of the Speaker of the Senate, the Speaker of the House and the Comptroller of the Treasury.

Item 2. The Commissioner of Finance and Administration may establish in any department, office, commission or instrumentality of the state government a clearing account through which all salaries and wages, including the state's portion of retirement, insurance, Social Security, etc., may be disbursed. In the event such accounts are established, department records shall be maintained showing the distribution of such amounts among the various appropriation codes, and any financial reports shall present expenditures as if such expenditures had been made through the individual appropriation accounts.

Item 3. The Commissioner of Finance and Administration shall have power and authority to refuse, with the approval of the Governor, to approve or honor any and all requisitions for purchases, except requisitions for purchases authorized by the Legislative Branch, including the Secretary of State, Comptroller of the Treasury and State Treasurer, and the Judiciary, including the Attorney General and Reporter. In case any division or function of government for which an appropriation is provided in this act or otherwise, shall be transferred from an existing department, to any other department, such transfer shall automatically result in the appropriation for such transferred division or function becoming available to the department to which such transfer is made for the purposes of such transferred division or function.

Item 4. From the appropriations made to the various state departments and agencies under this act, and other general acts appropriating money, there may be paid any expenses incurred by said departments and agencies for the purpose of conducting and serving as host for regional or national conferences of

which such departments or agencies may be members. Before any funds shall be expended under this authorization, the amount and purpose of the proposed expenditure shall be approved by the Commissioner of Finance and Administration.

Item 5. Notwithstanding any provision of law to the contrary, no state department or agency in the Executive Branch of state government is authorized to make organizational changes within such department or agency without the prior approval of the Commissioner of Finance and Administration. Where such organizational changes require a transfer of funds between organizational accounts and are contrary to the manner in which appropriations have been made herein, approval of said transfers is subject to approval by the Commissioner of Finance and Administration and by a majority of a committee composed of the Speaker of the Senate, the Speaker of the House and the Comptroller of the Treasury.

Item 6. The Commissioner of Finance and Administration is authorized to draw down disputed federal funds and to reserve the funds to prevent their expenditure until the dispute is settled; and the Commissioner of Finance and Administration in consultation with the State Treasurer is authorized to allocate interest earnings on the draw-down of disputed federal funds and to pay interest earnings to the federal government in those instances when expenditures are ultimately disallowed.

Item 7. The Commissioner of Finance and Administration is authorized to impose a reasonable real estate transaction fee on all real estate transactions when the transaction is processed through the Department of Finance and Administration. Said fee structure shall be subject to approval by the State Building Commission.

Subject to the approval of the State Building Commission, there is hereby appropriated a sum sufficient to replace any real estate transaction fees that are waived.

Item 8. The Commissioner of Finance and Administration shall maintain a policy to recover state funds and the state's costs associated with checks, warrants, drafts, and electronic funds transfers deposited to a state account that are subsequently returned unpaid by the drawer's bank.

Item 9. The Commissioner of Finance and Administration is authorized to maintain an indirect cost recovery plan to recognize overhead costs associated with the operations of the Tennessee Regulatory Authority, Wildlife Resources Agency, Department of Financial Institutions, Housing Development Agency and the regulatory boards and commissions not under the administration of the Department of Commerce and Insurance or the Department of Health. The Commissioner is further authorized to charge the departments and agencies covered by the indirect cost recovery plan for their individual overhead costs.

Item 10. The Commissioner of Finance and Administration shall establish a state regulatory fee of \$5.00 for one year and \$10.00 for two years. The fee

shall be in lieu of any allocation of indirect costs which would otherwise be allocated to the regulatory boards covered by the provisions of Tennessee Code Annotated, Section 4-3-1011(b)(2).

Item 11. If any appropriation in this act fails to designate a department or agency of state government to be responsible for the administration of the appropriation, then the Commissioner of Finance and Administration is hereby directed to designate the state department or agency to administer the appropriation.

Unless otherwise directed by language in this act, appropriation grants to agencies outside of state government shall be administered in such manner as the Commissioner of Finance and Administration shall determine. Direct appropriation grants for the benefit of agencies outside of state government may be administered by the Department of Finance and Administration.

Item 12. For the purposes of this item, the term "chief fiscal officer" shall mean the position within a state agency that has overall daily responsibility for the oversight of the fiscal operation for that agency. The Commissioner of Personnel in consultation with the Commissioner of Finance and Administration shall designate and classify position(s) within each agency of the Executive Branch of state government as chief fiscal officer(s) for that agency. Qualifications and appointments to fill existing or future vacancies shall be in accordance with procedures established by the Commissioner of Personnel with the approval of the Commissioner of Finance and Administration.

Item 13. From the appropriations made in this act to pay the salaries of state employees who are hired on or after July 1, 2008, the Commissioner of Finance and Administration is authorized to require that those salaries be paid through direct-deposit procedures.

Item 14. The Commissioner of Finance and Administration is hereby authorized to adjust departmental revenue and reserve estimates and related expenditures: (a) for internal service funds and enterprise funds to record fees received for services provided to departments, agencies, boards, and commissions and (b) to record payment for services provided to state agencies by another state agency.

Item 15. The Commissioner of Finance and Administration is hereby authorized to adjust departmental revenue and related expenditures to recognize (a) the carry-over of federal funds and other departmental revenues that were budgeted and allotted but unexpended or unobligated at June 30; (b) an increase in the federal rate of reimbursement or match in federal programs so that there is less state expense or the additional federal funds are available to meet increasing costs without improving programs; and (c) an unexpected increase in federal grant funds so that there is less state expense or the additional federal funds are available to meet increasing costs without improving programs.

Item 16. The Commissioner of Finance and Administration is hereby authorized to adjust the estimates of federal block grant funds and other federal grant-in-aid funds estimated in Section 4 and Section 31 of this act to reflect the

actual allocations of federal revenues made available to the State of Tennessee by the federal government.

Item 17. From the appropriation made in Section 4, Title III-2, Item 4.5, to General Services, Property Management, the Commissioner of Finance and Administration is authorized to establish new positions in property services management for new buildings the state maintains.

SECTION 16.

Item 1. Each department, division or agency for the benefit of which an appropriation is made herein and which participates in the Consolidated Retirement System, shall pay from such appropriation monthly such sums as may be due such Consolidated Retirement System as the state's contribution from such department, division or agency.

SECTION 17.

Item 1. From the appropriations made herein, the various departments, agencies, boards and commissions of state government shall pay on behalf of each participating employee within the respective departments, agencies, boards and commissions, not less than eighty percent (80%) of the cost of each individual's participation in the basic group medical insurance program and one hundred percent (100%) of the cost of twenty thousand dollars (\$20,000.00) of basic term life insurance coverage and forty thousand dollars (\$40,000.00) of basic special accident insurance coverage for each participating employee; such basic medical, life and accident insurance program to be established pursuant to Tennessee Code Annotated, Title 8, Chapter 27, Part 2.

The employer contribution amounts established by the State Insurance Committee for eligible participating employees shall not exceed, in the aggregate, the amounts appropriated in this act. The State Insurance Committee shall determine a calendar year 2009 plan of benefits, related services, and monthly premiums for each of the health care options it authorizes pursuant to Section 8-27-201, Tennessee Code Annotated, which result, with reasonable certainty, in the provision of sufficient revenues to pay plan expenses and to provide for the funding of reserves for estimated incurred but unreported claims. The monthly premiums and the employer contribution amounts shall be subject to the approval of the Commissioner of Finance and Administration pursuant to Section 4-3-1006, Tennessee Code Annotated.

The State Insurance Committee shall recognize the annualized rate and benefits adjustments intended to be effective on January 1, 2009, which are required so that the plan of benefits, on an annualized basis, shall not exceed the recurring revenues to pay plan expenses.

Item 2. From the appropriations made herein the Department of Military is hereby authorized to pay, on behalf of each participating national guardsman called up to state active duty, the cost of each individual's participation in the state-approved Group Life Insurance Plan for national guardsmen called up to

state active duty. The provisions of Tennessee Code Annotated, Title 8, Chapter 27, Part 2, shall apply.

Item 3. The State Insurance Committee shall establish and maintain, within the appropriations made in this act for supplemental medical insurance for retired state employees and retired teachers and in accordance with Tennessee Code Annotated, Section 8-27-702, the respective contribution levels to be made by the state on behalf of the eligible participating retirees. The annualized contribution rate established by the Committee for the eligible participating employees shall not exceed the amount appropriated in this act, and the rate established is subject to approval by the Commissioner of Finance and Administration.

Item 4. It is the legislative intent that the State Insurance Committee establish a schedule of premium payments for retirees participating in the group insurance plan under the provisions of Tennessee Code Annotated, Section 8-27-205(b).

Item 5. The Commissioner of Finance and Administration is hereby authorized to establish positions and make appropriate adjustments to the Insurance Administration budget to reflect changes in the contractual arrangements for medical and other insurance coverage provided to state insurance plan participants. The establishment of additional positions and the allotment of additional departmental revenue are subject to approval by the State Insurance Committee.

SECTION 18. From the appropriations made by this act, claims for official travel expenses of state employees and members of boards and commissions, notwithstanding any provision of the law to the contrary, shall be subject to the provisions of comprehensive travel regulations as approved by the Attorney General and the Commissioner of Finance and Administration under the provisions of Tennessee Code Annotated, Section 4-3-1008.

SECTION 19. Whenever similar or duplicate appropriations are made in this act to those carried in any other act, such appropriation herein shall not be deemed as a supplemental appropriation, it being the legislative intent that there shall be no overlapping appropriations for equivalent amounts; but if this act simply supplements the appropriations made by the other act, then such supplemental appropriation shall be valid. The same shall apply to similar or duplicate appropriations made solely within this act.

SECTION 20. Notwithstanding the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary, whenever the State of Tennessee has any surplus lands or other surplus real properties which are sold or conveyed during the fiscal year ending June 30, 2009, the proceeds from the sale of such lands or other real property shall be subject to the provisions of Tennessee Code Annotated, Section 12-2-112.

SECTION 21. The Board of Standards, may, if it considers such action in the interest of the state, authorize the Director of Purchasing to negotiate for the purchase of computer programs and associated software systems without following the procedures

set out in Tennessee Code Annotated, Title 12, Chapter 3, relative to requisitioning and the receipt of bids. Such purchases shall be made at and for the best possible price, and each such purchase shall be confirmed by the Board of Standards before becoming effective. This exception shall not apply to the purchase of computer equipment machinery or associated hardware, but the same shall continue to be acquired in accordance with the procedures set out in Tennessee Code Annotated, Title 12, Chapter 3.

SECTION 22. Notwithstanding the provisions of Tennessee Code Annotated, Title 66, Chapter 29, warrants, drafts, and checks drawn on the State Treasury that have not been redeemed within 12 months of issue date shall be cancelled and written off the state's books with the funds reverting to the fund of issue. Subsequent claims by the payee of said instruments, shall be honored upon receipt of documentation to substantiate the claim. The Commissioner of Finance and Administration and the State Treasurer shall ensure the state's compliance with the unclaimed property law.

SECTION 23. It is hereby declared to be the legislative intent that the Commissioner of Finance and Administration revise the funding recommendations and personnel summaries contained in the Budget Document to conform with this act, other general acts of this Session and any other actions which affect the level of departmental or other such revenue. Said revised summaries shall be provided to the Office of Legislative Budget Analysis, Finance, Ways and Means Committees of the Senate and House of Representatives and to the Office of the Comptroller of the Treasury and Fiscal Review Committee. The Commissioner of Personnel shall submit a monthly report to the Office of Legislative Budget Analysis regarding positions that have been overlapped for ninety (90) days or more. In addition, the budget as introduced shall indicate the number of positions overlapped on the date of introduction.

In establishing allotments from the appropriations herein made, the Commissioner of Finance and Administration may establish total spending authorizations in the amount of the specific appropriation from state revenues herein made, plus the estimated federal and departmental revenues estimated to be available as presented in the revised funding summaries cited above. In the event federal and departmental revenues for any particular program, appropriation code, or other classification are less than the amount estimated to be available under the allotments then and to that extent the spending authorizations are hereby reduced; to the extent that federal or departmental revenues in excess of the amounts allotted are realized, such excess shall not constitute increased spending authorizations, except under the conditions herein specified.

In establishing the allotments herein authorized, the Commissioner of Finance and Administration shall divide the total spending authorizations by allotment code, into two subdivisions, as follows:

1. Personal Services and Benefits
2. Other Operating Expenses

For the purposes of this paragraph, the term "departmental revenues" means earnings or charges for goods or services; or donations, contributions or participation by political subdivisions, foundations, corporations, firms or persons. For purposes of this

paragraph, the term "state revenues", means the proceeds of taxes, licenses, fees, fines, forfeiture or other imposts laid specifically by state law. No state revenues shall be expended by any state agency unless such revenues are appropriated by the General Assembly, as reflected in the provisions of this act and the revised summaries cited above. No state agency shall establish any new programs or expand any existing programs, beyond the scope of those already established, recognized and approved by the General Assembly, as reflected in this act and the revised summaries cited above, unless each such new or expanded program is funded entirely from unanticipated or excess departmental revenues or federal revenues. However, no such expenditure of unanticipated or excess departmental revenues or federal revenues shall occur until written notice of the program and the availability of unanticipated or excess departmental revenues or federal revenues is submitted by the Commissioner of Finance and Administration to the Chairs of the Finance, Ways and Means Committees of the Senate and House of Representatives and until said committee chairs have acknowledged in writing receipt of such written notice; provided, however, that capital outlay program projects, whether capital improvements or capital maintenance, shall be submitted to the State Building Commission to be acknowledged. When submitted, a copy of operational budget expansion reports shall be provided to the Fiscal Review Committee executive director and the Office of Legislative Budget Analysis director for information purposes.

It is the legislative intent that funding for all capital improvement projects and funding for each capital maintenance project of one million dollars (\$1,000,000) or more shall be specified in detail in the annual budget document and listed by affected spending agency. Funding for each capital maintenance project of less than one million dollars (\$1,000,000) shall be specified in such detail in the annual budget document as the Governor shall determine. The Commissioner of Finance and Administration shall provide a written quarterly report to the director of the Office of Legislative Budget Analysis and to the executive director of the Fiscal Review Committee identifying additions, deletions or other modifications of capital improvement and capital maintenance projects occurring subsequent to enactment of the annual budget through the appropriations and bond authorization acts.

It is further the legislative intent that appropriations for capital improvement and capital maintenance projects shall be specified by state agency in lump sums consistent with capital improvement and maintenance projects detailed in the annual budget document.

The Commissioner of Finance and Administration shall report to the Chairmen of the Senate and House Finance, Ways and Means Committees on positions funded by federal criminal justice grants that are time-limited. The report shall include the number of positions and costs by federal program and by state agency and program, the period of the grant, the outlook for federal continuation of the grant beyond the expiration date, and any conditions of the grant indicating a state obligation upon expiration of the grant. A copy of the report also shall be provided to the Office of Legislative Budget Analysis director and the Fiscal Review Committee executive director.

SECTION 24.

Item 1. Notwithstanding any provision of the law to the contrary, the heads of the respective departments for which appropriations are made in Section 1, Titles I, II, III-1, Items 1, 3, 5, and 7, are authorized to revise their

respective budgets and personnel authorizations within the appropriations made in Sections 1 and 4 of this act and to submit those revised summaries to the Commissioner of Finance and Administration, who shall incorporate them into the revised funding recommendations and personnel summaries and allotments and spending authorizations required by Section 23 of this act.

Item 2. All funds appropriated in Section 1, Title III-1, Items 3, 5 and 7 and in Section 4, Title III-1, Items 3, 5 and 6, shall be administered in a ministerial capacity by the Department of Finance and Administration in accordance with budgets and any revisions thereto of the respective entities for which such appropriations are made. Such budgets and any revisions thereto shall be subject to the concurrence of the Speaker of the Senate and Speaker of the House of Representatives.

SECTION 25. Except where sovereign immunity has been or shall hereafter be expressly waived by the General Assembly, all appropriations of state revenues and departmental revenues made in this act and in prior acts to the state, its departments, agencies, boards, educational institutions, instrumentalities, and incorporated entities performing the state's governmental functions shall be state funds and shall be protected by the state's sovereign immunity from every court's judgment, decree, attachment, or other legal process; provided, however, that any statutory or other provision authorizing an agency, board, or entity to sue and be sued shall not constitute a waiver of sovereign immunity.

SECTION 26. From the appropriation made for the General Assembly under Section 1, Title I, payment shall be made for, but not limited to, the following items:

1. Any lawful expenses of the One Hundred Fifth General Assembly, for which funds have not been obligated on June 30, 2008, such funds herein appropriated as are required may be made available during the fiscal year ending June 30, 2008.

2. The lawful expenses of the One Hundred Fifth General Assembly.

3. The cost of staffing, maintaining and operating the offices of the Speaker of the Senate and the Speaker of the House of Representatives, including necessary travel and other expenses incident to said offices, not covered by Title I, Items 1.3 and 1.4, of this act.

4. Such expenses as may be incurred for maintaining legislative facilities including the maintenance and staffing and such other expenses as may be necessary to provide offices and other services to members of the General Assembly and their staff in state facilities in Nashville.

5. Expenses and travel pay to legislators for each day when attending conferences, workshops, and other official meetings, both within and without the State of Tennessee, when said travel is approved by the Speaker of the Senate and/or the Speaker of the House of Representatives. Payments shall be at the same rate provided for members of the standing committees of the General Assembly when meeting between sessions. Provided, further, that

reimbursement may be made to legislators for registration fees incurred while attending conferences and meetings as may be approved by the Speaker of the Senate and/or the Speaker of the House of Representatives.

6. Expenses and travel pay allowed to members of the Joint Legislative Services Committee as authorized under Tennessee Code Annotated, Section 3-1-106, and to members of the Fiscal Review Committee, as authorized under Tennessee Code Annotated, Section 3-7-102.

7. The Speakers may transfer to the Office of Legislative Services and the Office of Legal Services for the General Assembly and to the Fiscal Review Committee sufficient funds to enable them to complete all studies assigned to them by the One Hundred Fifth General Assembly, and to furnish such help as may be required by standing, select and joint committees of the General Assembly.

8. Membership dues to the National Conference of State Legislatures, similar service organizations, and such other conferences as may be approved by the Speaker of the Senate and the Speaker of the House of Representatives. Such payments may be made quarterly or in accordance with other partial payment plans.

9. Any expenditures for legislative purposes called for by resolutions or joint resolutions properly adopted by either or both Houses of the General Assembly.

10. Payment of expenses to any member, as provided by law, for attendance at any meeting of any standing, special, or select committee of the General Assembly, whether such meeting occurs during or between sessions of the General Assembly. Such expenses for meetings held between sessions shall be paid at the same rate as provided in the general law for meetings held while the General Assembly is in session.

11. In addition to appropriations made under Section 1, Title I, there is hereby appropriated a sum sufficient to cover any increase automatically occurring under mandate of law in any compensation, benefits, or expenses funded under Section 1, Title I.

12. From funds available to the General Assembly, there is earmarked a sum sufficient for the sole purpose of funding expenses of members of the General Assembly for meetings of study committees of the General Assembly on which they serve; provided, that such expense payment is subject to approval by the Speaker of the House of Representatives and the Speaker of the Senate in accordance with Tennessee Code Annotated, Section 3-1-106.

All items listed above, together with any other expenses for the General Assembly, upon the approval of the Speaker of the Senate and/or the Speaker of the House of Representatives, shall be paid through the Office of Legislative Administration, who shall also be authorized to make arrangements for, and incur obligations incident to, any convening of the One Hundred Fifth General

Assembly, including, but not limited to, such items as contracts for the reproduction of bills, the printing of a daily legislative service, and the Tennessee Legislative Record.

Provided, further, that during any period when the Offices of the Speaker of the Senate or the Speaker of the House of Representatives are vacant, or otherwise upon authority of the Speakers, the Director of the Office of Legislative Administration is hereby authorized to do any act which the Speaker might do under the provisions of this section.

The provisions of the section shall not be construed to countermand any general act passed by the One Hundred Fifth General Assembly.

SECTION 27. The Speaker of each House of the General Assembly shall be paid from funds appropriated to the General Assembly the following sums:

Seven hundred fifty dollars (\$750.00) for their ex-officio services during any session of the General Assembly; plus the sum of five thousand seven hundred dollars (\$5,700.00) annually for local office expenses in their county of residence which will be in addition to the cost of maintaining and operating offices in the State Capitol. In addition, each Speaker shall be allowed the same amount for expenses and travel pay as that provided for members of the standing committees of the General Assembly when meeting between sessions, for attending meetings of standing, select, or joint committees of the General Assembly or when absent from their county of residence on official duty as Speaker. When the Speaker, Majority Leader, Senate Floor Leader or House Majority Whip travel by conveyance owned by such person, travel pay may be allowed on the basis of actual cost.

The allowance for ex-officio duties authorized by this section shall be paid at the request of each Speaker at any time after adjournment of a session. The amount authorized hereby for local office expenses shall be paid annually on or after November 1st of each year at the request of each Speaker. Requests for payments shall be addressed to the Director of the Office of Legislative Administration and need not be accompanied by a list of expenditures for which allowances the reimbursements are claimed. Payments for attending meetings between sessions or when absent from county of residence shall be paid from time to time on request of each Speaker.

SECTION 28. In order to prevent duplication of effort and to establish professional standards, audits to be performed by internal audit staffs or grantees of departmental activities funded from appropriations made in this act shall be coordinated with the Office of the Comptroller of the Treasury, and such reports as may be issued shall be prepared in accordance with standards established as required by law by the Comptroller of the Treasury. No department, agency, institution, board, or commission shall cause internal auditing to be performed by persons who do not meet the job specifications for internal auditors established by the Commissioner of Personnel and approved by the Commissioner of Finance and Administration.

SECTION 29. The appropriations to public institutions of higher education set forth in Section 1 of this act shall be subject to the conditions and limitations set forth in

this section, and shall not be subject to other provisions of this act except as otherwise expressly stated.

Item 1. Salaries to be paid from the appropriations made to educational institutions shall be fixed as follows:

The President and the staff of the University of Tennessee, by the Board of Trustees; the Presidents and staffs of the institutions within, and the Chancellor and staff of, the State University and Community College System of Tennessee, by the Board of Regents; and the Directors and staffs of the technology centers by the Board of Regents; all of which shall be within the appropriations provided and available for said purposes.

Item 2. Each higher education institution, including technology centers, shall report to the Commissioner of Finance and Administration, the Tennessee Higher Education Commission, and the Office of Legislative Budget Analysis, the actual amount of expenditures for maintenance and operation of the physical plant, exclusive of utilities, for the fiscal year, and any deviation in these expenditures from the amounts recommended in the funding formula for these purposes, prorated to reflect actual funding levels appropriated in this act.

Item 3. All institutional revenues of any kind collected by the institutions in the course of their operations for their own use are hereby appropriated to the institutions in addition to the specific appropriations made by this act.

Item 4. It is the intent of the General Assembly that there shall be consistent fee charges among the public institutions of higher education of the state, subject to the nature and scope of the institutions, and that the State Board of Regents and the Board of Trustees of the University of Tennessee shall consult with the Higher Education Commission before establishing the fee schedules for the universities, community colleges and technology centers.

Item 5. The appropriations herein for higher education and appropriations of all higher education departmental and institutional revenue are subject to the provisions of Tennessee Code Annotated, Title 9, Chapter 4, and subsections (4) and (5) of Tennessee Code Annotated, Section 4-3-1006. Within the general requirements of these provisions, the Commissioner of Finance and Administration, in consultation with the Comptroller of the Treasury and the Higher Education Commission, shall specify the content and procedures for submitting operating budgets and revisions thereto. The operating budgets shall be submitted to the Higher Education Commission by the respective governing boards. The Higher Education Commission shall then submit such operating budgets with their comments to the Department of Finance and Administration for approval. In addition, the appropriations in this act to institutions of higher education shall be subject to the requirements, restrictions and controls of the State Board of Claims and the State Building Commission in the same manner as other agencies of the state. The governing boards shall submit to the Office of Legislative Budget Analysis both the original and revised operating budgets proposed. The Tennessee Higher Education Commission shall submit to the

Office of Legislative Budget Analysis the revised higher education funding formula for the ensuing fiscal year no later than December 1 of each year.

Item 6. From the appropriations made herein, institutions of higher education are hereby authorized to pay, on behalf of each participating employee, a percentage amount equal to the amount paid by other agencies of the state of the cost of each employee's participation in the state-approved Group Insurance Plan for state employees.

Item 7. Except where sovereign immunity has been or shall hereafter be expressly waived by the General Assembly, all appropriations of state funds and institutional revenues made in this act and prior acts to institutions of higher education shall be state funds and shall be protected by the state's sovereign immunity from any court's judgment, decree, attachment, or other legal process, provided that any statutory or other provision authorizing any entity to sue and be sued shall not constitute a waiver of sovereign immunity.

Item 8. From the appropriations made in this act and other appropriations acts, the budgetary units in higher education shall pay to the Tennessee Consolidated Retirement System the employer's share of retirement and shall pay to the Social Security Administration the Social Security costs including the additional benefit costs associated with pay, pay raises funded from fees, revenues, payroll savings or any other funding source.

Item 9. The appropriations in this act for Centers of Excellence and Campus Centers of Emphasis are subject to allocation by the Higher Education Commission and the Commissioner of Finance and Administration. In allocating the appropriation for Centers of Excellence, a consideration shall be planned reductions to existing expenditures to supplement funding for the centers. The obligation and expenditure of funds appropriated for Centers of Excellence shall be subject to oversight by the special joint committee of the General Assembly created pursuant to the provisions of the Comprehensive Education Reform Act of 1984.

Item 10. There is hereby appropriated a sum sufficient to pay insurance claims filed by lending institutions under the provisions of the Federal Family Education Loan Program and the costs associated with administering that program. Provided, however, such payments shall be made and such costs shall be paid from funds and reserves received and maintained by the Tennessee Student Assistance Corporation for the Federal Family Education Loan Program and the State of Tennessee shall in no way be liable for such claims.

Item 11. In addition to any other funds appropriated by the provisions of this act, there is appropriated to the Student Assistance Corporation all reserve balances now held by the Corporation for the Student Loan Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 5. It being the legislative intent that these reserves may be used to cover any expenditures resulting from over-awards of assistance to students enrolled during the 2008-2009 academic year under the Student Assistance Program and may use that portion of earnings from the Student Loan Program reserves to conduct the training, administration

and default management for students, schools and lenders in the Federal Family Education Loan Program, Part 4 and the Student Loan Program, Part 5. The allotment of funds appropriated by this item shall be subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

Item 12. In the Tennessee Student Assistance Awards program any prior year appropriations recovered from prior recipients by June 30, 2009, shall not revert to the fund balance but shall be added to the reserve balances now held by the Student Assistance Corporation for the Student Loan Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 5.

Item 13. Proceeds collected from prior recipients of the teacher loan/scholarship programs authorized by Tennessee Code Annotated, Title 49, Chapter 4, Parts 2 and 7, shall not revert to the fund balance but shall be deferred and added to the funds appropriated in the succeeding year for expenditure as awards in the Teaching Scholars Program (Tennessee Code Annotated, Section 49-4-212).

Item 14. Proceeds collected from prior recipients of the Minority Teaching Fellows Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 7, shall not revert to the fund balance but shall be deferred and added to the funds appropriated in the succeeding year for expenditure as awards in the Minority Teaching Fellows Program (Tennessee Code Annotated, Section 49-4-706).

Item 15. There is hereby appropriated a sum sufficient to the Tennessee Student Assistance Corporation from accumulated interest earnings in the Academic Scholars Program (Tennessee Code Annotated, Section 49-4-203) and in the Christa McAuliffe Scholarships Program (Tennessee Code Annotated, Section 49-4-705).

Item 16. There is hereby appropriated a sum sufficient to the Baccalaureate Education System Trust Board of Directors from fees and other charges for participation in the prepayment tuition program operated by the board under the provisions of Tennessee Code Annotated, Title 49, Chapter 7, Part 8.

Item 17. The appropriation made in Section 1, Title III-22, Item 17, of this act for higher education professional privilege tax payments is intended to reimburse public higher education institutions and programs for payment of the professional privilege tax levied in Tennessee Code Annotated, Title 67, Chapter 4, Part 17, on behalf of employees who are subject to the tax.

Item 18. From the appropriation in Section 1, Title III-10, to the UT Health Science Center, the non-recurring sum of \$3,000,000 is intended to fund equipment purchases at the regional biocontainment laboratory. If the cost of the equipment is funded by federal grant funds, the Commissioner of Finance and Administration is authorized to transfer the appropriation for the purpose of funding the Clinical Transitional Science Institute.

Item 19. The unexpended balance of the Geier Desegregation Settlement appropriations carried forward at June 30, 2007, pursuant to Section 29, Item 22 of Chapter 963, Public Acts of 2006, shall not revert to the general fund at June 30, 2008. Any unexpended balance is hereby reappropriated for the Tennessee State University – Avon Williams Downtown Campus alternative programs.

Item 20. From the appropriation made in Section 1, Title III-10, Item 4.1a, to the Tennessee Board of Regents, the sum of \$500,000 (non-recurring) is intended for support of the teacher quality initiative. The Commissioner of Finance and Administration is authorized to transfer the funds to the appropriate higher education institutions.

Item 21. The capital outlay projects listed in the 2008-2009 Budget Document and which are identified with the heading "Capital Projects from School Bonds and Other Sources, Fiscal Year 2008-2009", are presented for informational purposes only. The projects are subject to recommendation and approval procedures involving the higher education institutions and their governing boards, the Tennessee Higher Education Commission, Finance and Administration, the Tennessee State School Bond Authority, the State Funding Board and the State Building Commission.

The following proposed capital outlay projects, to be funded from school bonds, institutional/auxiliary and other funds, are in addition to those projects listed on pages A-117 through A-119 in the 2008-2009 Budget Document:

East Tennessee State University

Burgin Dossett Parking Lot Reconfiguration	\$ 430,000
Recreation Fields Upgrades	750,000
Welcome Center	1,000,000
Yoakley Hall Renovation	1,220,000
Buc Ridge Apartment Renovation	<u>10,100,000</u>
	\$ 13,500,000

Middle Tennessee State University

Academic Buildings Update	\$ 2,000,000
College Heights Renovation	500,000
Davis Science and Wiser Patton Renovations	5,000,000
Food Service Facility Improvements	4,000,000
McFarland Building Renovation	600,000
Tucker Theatre Seat Replacement & ADA Update	950,000
Warehouse Office Configuration	<u>175,000</u>
	\$ 13,225,000

Tennessee State University

Logistics Complex Renovations	\$ 2,490,000
Watson Hall Lounge Addition	110,000
IT Infrastructure Update (Federal Funds)	<u>1,300,000</u>
	\$ 3,900,000

Tennessee Technological University

Athletic Facilities Renovations	\$ 350,000
Food Service Improvements	3,300,000

Parking Additions and Improvements	<u>1,000,000</u>
	\$ 4,650,000
<u>University of Memphis</u>	
Administration IT Support Space Upgrade	\$ 475,000
Dunn Hall Building Upgrades	200,000
Fieldhouse HVAC Maintenance	200,000
Theater Seating and Carpet Replacement	200,000
Wilder Tower Mechanical & Interior Upgrades	150,000
Patterson Facility Upgrades	<u>450,000</u>
	\$ 1,675,000
<u>Chattanooga State Technical Community College</u>	
Tennis Courts and Gym Upgrades	\$ 600,000
<u>Cleveland State Community College</u>	
Baseball Concessions Project	\$ 65,000
Business Incubator	<u>1,250,000</u>
	\$ 1,315,000
<u>Pellissippi State Technical Community College</u>	
McWhorter Building UPS/Generator System	\$ 305,000
Land Acquisition - Parking	<u>1,270,000</u>
	\$ 1,575,000
<u>TTC Paris</u>	
Collision Repair Paint Booth	\$ 90,000
Total	<u>\$ 40,530,000</u>

The East Tennessee State University project, New Residence Hall, listed on page A-117, in the amount of \$26,600,000, is deleted from the list of projects.

The East Tennessee State University project, Parking Garage, listed on page A-117, is increased from \$15,800,000 to \$21,500,000.

The Chattanooga State Technical Community College project, Athletic Fields Upgrade, listed on page A-118, is increased from \$1,500,000 to \$2,500,000.

Item 22. The Tennessee Higher Education Commission staff is directed to work with the Tennessee Student Assistance Corporation staff, and other appropriate state entities, to achieve cost savings resulting from a consolidation of administrative functions and other measures. This shall include, but not be limited to, benefits to be derived from consolidation of divisions and activities within each agency. THEC staff shall submit a status report with recommendations to the Governor and Speakers of the House and Senate by January 12, 2009.

SECTION 30. Salaries provided under the appropriations made in Sections 1 and 4 of this act to the respective departments, institutions, offices and agencies shall be fixed as under the provisions of Tennessee Code Annotated, Title 8, Chapter 23.

Within the appropriations made for the Office of the Attorney General and Reporter under this act, the salaries of the attorneys, legal and clerical staff and other employees shall be fixed by the Attorney General. The expenditures provided for herein shall not exceed the amount of the appropriation to the Office of the Attorney General and Reporter.

The salaries of all employees of the Judicial Branch, except those whose salaries are set by law, shall be fixed by the Director of the Administrative Office of the Courts with the approval of the Chief Justice of the Supreme Court. The compensation of the judges, chancellors, and justices of the state's trial and appellate courts shall be set in accordance with Tennessee Code Annotated, Section 8-23-103.

Within the appropriations herein made, the salaries of the subordinates and employees of the Treasurer, Comptroller, Secretary of State, and the Fiscal Review Committee shall be fixed by the heads thereof, respectively, and the salaries of the employees and subordinates of the Joint Legislative Services Committee shall be fixed by such committee in accordance with the provisions of Tennessee Code Annotated, Title 3, Chapters 10 through 14, inclusive; all other salaries and wages in departments, institutions, offices and agencies shall be approved by the Commissioner of Personnel, provided, however, that the establishment of salary ranges within such departments, institutions, offices and agencies shall be subject to the approval of the Commissioner of Finance and Administration. To the extent that additional funds are appropriated or are generated within a department or agency by abolishing vacant and funded positions, subject to review and approval of the Commissioner of Finance and Administration and the Commissioner of Personnel, salary increases may be granted from such funds.

Employee promotions shall be reported to the General Assembly under the provisions of Tennessee Code Annotated, Section 8-30-211(b).

SECTION 31. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Under the provisions of Section 4 and Section 23 of this act, it is the legislative intent to appropriate the proceeds of federal block grant programs, as assumed by the State of Tennessee, in the following manner:

1. Social Services block grant in the amount of \$12,699,900 to the Department of Human Services and in the amount of \$21,210,500 to the Department of Children's Services.
2. Mental Health Services block grant in the amount of \$7,923,500 to the Department of Mental Health and Developmental Disabilities.
3. Child Care Development Funds block grant in the amount of \$114,130,300 to the Department of Human Services.
4. Maternal and Child Health block grant in the amount of \$13,189,000 to the Department of Health.

5. Preventive Health block grant in the amount of \$1,609,500 to the Department of Health.

6. Community Services block grant in the amount of \$11,999,200 to the Department of Human Services.

7. Low-Income Energy Assistance block grant in the amount of \$27,158,200 to the Department of Human Services.

8. Substance Abuse Prevention and Treatment block grant in the amount of \$29,645,000 to the Department of Mental Health and Developmental Disabilities.

9. Temporary Assistance to Needy Families (TANF) block grant in the amount of \$218,621,200 to the Department of Human Services.

10. Small Cities Community Development block grant in the amount of \$53,649,000 to the Department of Economic and Community Development. Said sum being the estimated allocation of funds for the fiscal years 2007-2008 and 2008-2009 combined.

Provided, however, that all expenditures of any community development block grant funds in addition to those appropriated and enumerated in this section shall be subject to the following limitations and restrictions:

The Housing and Community Development Act of 1981 made it possible for states to assume administration of the small cities Community Development Block Grant (CDBG) previously administered by the U.S. Department of Housing and Urban Development (HUD). In Tennessee, the CDBG Program shall be administered by the Department of Economic and Community Development (ECD).

There shall be appropriated by the General Assembly to ECD such funds as may be allocated to Tennessee by the federal government for the CDBG Program. The state-administered CDBG Program shall be developed within the parameters of the CDBG legislation, applicable federal regulations, and consultation with citizens and elected officials in Tennessee.

The CDBG goals shall be three-fold: (1) target on areas of economic distress, (2) stimulate the growth of jobs and income in these areas, and (3) maximize the number of grantees. Additionally, all CDBG projects must meet one of the three national objectives of (1) principally benefiting persons of low and moderate income, (2) elimination or prevention of slums and blight, or (3) elimination of conditions detrimental to health, safety or public welfare. ECD shall be authorized to make grants and/or loans of CDBG monies to eligible city and county governments in Tennessee to achieve these goals. Loan payments and interest shall be reserved for reappropriation and shall not revert to the general fund balance at year end.

Eligible applicants shall be all city and county governments in Tennessee except those cities of and counties designated by HUD as CDBG entitlement areas. Cities excluded from the state-administered CDBG Program include Memphis and Shelby County, Nashville (Davidson County), Chattanooga, Knoxville and Knox County,

Clarksville, Bristol, Johnson City, Oak Ridge, Murfreesboro, Kingsport and Jackson. These cities and counties will receive their CDBG funds directly from HUD.

Based upon anticipated CDBG allocations of \$26,912,000 in fiscal year 2008 and of \$26,737,000 in fiscal year 2009, the following target funding levels shall be established:

	<u>FY '08</u>	<u>FY '09</u>
Administrative Costs.....	\$ 638,200	\$ 634,700
Industrial Location/	10,261,100	10,191,500
Expansions/ Retentions		
Community Livability	1,516,400	1,506,100
Water/Sewer/Solid Waste	11,550,100	11,471,800
Housing and Neighborhood Revitalization	1,946,200	1,932,900
Set-Aside	1,000,000	1,000,000

A fifty percent (50%) reduction in any category will be permitted to facilitate proper program management and allow administrative flexibility. The funds so reduced shall be allocated to other categories with priority given to water/sewer/solid waste projects.

Selection criteria for project approvals shall be uniform within categories, objective and quantitative, and shall be based on project need, project feasibility, project impact, community need, and, for community livability projects, essentialness.

Project application materials will be supplemented, as appropriate, by site visits and by informed opinions of state agencies knowledgeable about particular projects.

The level of CDBG assistance for individual projects shall be determined by the following factors: (1) the percent of project beneficiaries that have family incomes below the low and moderate income (LMI) levels, (2) a maximum grant and/or loan of \$750,000.00 for individual projects (\$300,000.00 for community livability projects), (3) a maximum grant and/or loan to any applicant of \$750,000.00 in two successive years, and (4) the grantee's ability-to-pay. Higher grant levels (up to \$1,000,000.00) may be approved for regional projects.

If modifications in the expenditure plan for the CDBG Program are required, said modifications shall be accomplished in the following manner: (1) if the General Assembly is in session such modifications shall be approved by the General Assembly, or (2) if the General Assembly is not in session, the Governor may, (a) submit such modifications to the State Funding Board for approval or, (b) call a special session of the General Assembly for approval.

SECTION 32. The appropriations made in Section 1, Title III-8, Item 4, to the Department of Economic and Community Development for the FastTrack Infrastructure Development and Job Training Assistance programs shall be expended pursuant to Tennessee Code Annotated, Sections 4-3-716 and 4-3-717. The Commissioner of Finance and Administration is authorized to transfer sums sufficient from the

appropriation for FastTrack Infrastructure and Job Training Assistance to Community Development and Business Development for economic development projects.

SECTION 33. On or before January 31 of each calendar year, the Center for Business and Economic Research of the University of Tennessee shall cause to be published a comprehensive report on the state's economy. Said report shall be based on projections from the Tennessee Econometric Model and such other information as the Center may deem appropriate. The report shall contain projections for ten years (beginning with the calendar year preceding the year in which the report is due) of the annual economic activity (level and percent change over prior year) for each of the state's major economic sectors; shall include ten-year projections of selected economic indicators, as specified by the State Funding Board; and shall also include a narrative description of the short-term and long-term prospects for economic and business activity in the state based on these indicators. Quarterly projections shall also be published if available.

Said report shall be distributed to the Governor and the other members of the State Funding Board. The State Funding Board shall report to the General Assembly as provided in Tennessee Code Annotated, Section 9-4-5202.

SECTION 34. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. From the appropriations made in Chapter 603, Public Acts of 2007, the Commissioner of Finance and Administration is authorized to make transfers from the appropriations made:

Item 1. To the District Attorneys General in Section 1, Title III-1-2.

Item 2. To the Department of Finance and Administration in Section 1, Title III-2-3, and to adjust federal aid and other departmental revenue accordingly.

Item 3. To the Department of Agriculture in Section 1, Title III-3, and to adjust federal aid and other departmental revenue accordingly.

Item 4. To the Department of Environment and Conservation in Section 1, Title III-5, and to adjust federal aid and other departmental revenue accordingly.

Item 5. To the Department of Economic and Community Development in Section 1, Title III-8.

Item 6. To the Department of Education in Section 1, Title III-9, and to adjust federal aid and other departmental revenue accordingly.

Item 7. To the Department of Safety in Section 1, Title III-20, and to adjust federal aid and other departmental revenue accordingly.

SECTION 35. The Commissioner of Finance and Administration is authorized to make the following transfers from the appropriations made in this act:

Item 1. To the Judicial Branch in Section 1, Title II, but excluding the appropriations for Board of Law Examiners, Board of Professional Responsibility,

Tennessee Lawyers Assistance Program, Continuing Legal Education and Client Protection Fund. Transfer of appropriations to or between Guardian ad Litem, Indigent Defendants' Counsel, Civil Legal Representation, and Verbatim Transcripts are sanctioned, but transfers from these programs to other programs are excluded.

Item 2. In Section 1 for the IV-D Child Support Program, a reallocation of funds between the District Attorneys General and the Department of Human Services is authorized. The Commissioner of Finance and Administration is further authorized to adjust federal aid and other departmental revenues, and to establish positions as may be required.

Item 3. To the Department of Correction in Section 1, Title III-7, and to adjust the number of authorized positions within the department's authorized level.

Item 4. To the Department of Labor and Workforce Development in Section 1, Title III-13, and to adjust federal aid and other departmental revenue accordingly.

Item 5. To the Department of Mental Health and Developmental Disabilities in Section 1, Title III-14, and to adjust federal aid and other departmental revenue accordingly.

Item 6. To the Department of Military in Section 1, Title III-15, and to adjust federal aid and other departmental revenue accordingly.

Item 7. To the Department of Health in Section 1, Title III-16, and to adjust federal aid and other departmental revenue accordingly.

Item 8. From the appropriations made to the Department of Human Services and the TennCare program in Section 1, for eligibility determination for the Medicaid Program and various federal family assistance programs, the Commissioner of Finance and Administration is authorized to reallocate appropriations between the department and program, and to adjust federal and departmental revenue estimates accordingly, in order to reflect actual costs of eligibility determination services and Medicaid case management services.

Item 9. To the Department of Human Services in Section 1, Title III-17, and to adjust federal aid and other departmental revenue accordingly.

Item 10. To the Department of Revenue in Section 1, Title III-18, and to adjust departmental revenue accordingly.

Item 11. To the Cover Tennessee Health Care Programs in Section 1, Title III-21, and to adjust federal aid and other departmental revenues accordingly.

Item 12. The appropriations made in Section 1, Title III-22, Miscellaneous Appropriations, are authorized to be allocated and transferred to the appropriate organizational units and programs of state government by the Commissioner of

Finance and Administration. For each appropriation so allocated and transferred, there is further appropriated sums sufficient from dedicated and earmarked revenues to provide for the comparable allocation of appropriations to those agencies and programs funded by dedicated and earmarked revenues. The appropriation for the Homeland Security Emergency Fund is subject to approval by the Director of Homeland Security.

In addition to the appropriations made in Section 4 of this act, there is hereby appropriated to the organizational units and programs of state government all federal aid funds and departmental revenue earnings associated with the allocation and transfer of Miscellaneous Appropriations authorized under the preceding paragraph in this item.

Item 13. To the Department of Children's Services in Section 1, Title III-23, and to adjust federal aid and other departmental revenue accordingly.

Item 14. To the Department of Finance and Administration – Mental Retardation in Section 1, Title III-25, and to adjust federal aid and other departmental revenue accordingly.

Item 15. To the Department of Finance and Administration, TennCare program in Section 1, Title III-26, and to adjust federal aid and other departmental revenue accordingly.

Item 16. To the Department of Transportation in Section 1, Title III-30, to provide additional funds for resurfacing as determined by the Commissioner of Transportation.

Item 17. To the Department of Transportation in Section 1, Title III-30, to recognize administrative reorganizations and to adjust authorized positions, federal aid and other departmental revenue accordingly.

The Commissioner of Transportation, with the approval of the Commissioner of Finance and Administration, is authorized to reorganize programs within the Department of Transportation for better accounting and personnel management practices made possible by implementation of the enterprise resource planning system.

Item 18. From the funds appropriated in Section 1, Title III-3, to the Department of Agriculture for the agricultural enhancement program.

Item 19. To the Department of Environment and Conservation in Section 1, Title III-5, to recognize administrative reorganizations and to adjust authorized positions, federal aid and other departmental revenue accordingly.

Item 20. To the Department of Military in Section 1, Title III-15, to fund a tuition-assistance program to enhance recruitment and retention of Tennessee Air National Guardsmen who are not Tennessee residents. Subject to Senate Bill No. /House Bill No. becoming law or to rule, the Commissioner of Finance and Administration is authorized to transfer the appropriation to the Tennessee

Higher Education Commission to be distributed to the affected public higher education institutions.

Item 21. To the Department of Education in Section 1, Title III-9, Item 2.2(d), Early Intervention Services, the Commissioner of Finance and Administration is authorized to transfer a sum sufficient to the Department of Children's Services for targeted case management services.

SECTION 36. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Subject to the availability of funding at June 30, 2008, any unexpended balances of appropriations made under Chapter 603, Public Acts of 2007, other acts of this General Assembly or acts by previous General Assemblies, listed in this section are hereby reappropriated to be expended in the 2008-2009 fiscal year and such appropriations shall be carried-forward in a reserve into the fiscal year beginning July 1, 2008. The reappropriation and carry-forward of these funds is subject to approval by the Commissioner of Finance and Administration. Unless otherwise noted, the unexpended balances reappropriated are authorized under Chapter 603, Public Acts of 2007, and they are the appropriations made:

Item 1. For data processing services, systems development, data processing equipment purchases and leases and telecommunication systems purchases and leases. The Commissioner of Finance and Administration is authorized to transfer from the amounts carried forward sums sufficient for the Computer Equipment Replacement Fund and to the Systems Development Fund.

Item 2. Notwithstanding any provision of law to the contrary, all funds appropriated to the Legislative Branch which remain unobligated and unexpended at the end of any fiscal year, shall not revert to the general fund but shall be carried forward in a reserve to be expended in accordance with the approval of the Speaker of the House of Representatives and the Speaker of the Senate. This item shall not be subject to the approval of the Commissioner of Finance and Administration.

Item 3. To the Judicial Branch in Section 1, Title II, but excluding the appropriations for Indigent Defendants' Counsel, Civil Legal Representation, Verbatim Transcripts, Board of Law Examiners, Board of Professional Responsibility, Tennessee Lawyers Assistance Program, Continuing Legal Education, Client Protection Fund and Council of Juvenile and Family Court Judges. The reappropriated funds shall be expended for the integrated computer system for the Tennessee Court System under the provisions of Tennessee Code Annotated, Section 16-3-807. This item shall not be subject to the approval of the Commissioner of Finance and Administration.

Item 4. To the Judicial Branch, Administrative Office of the Courts in Section 1, Title II, Item 11, to defray expenses of serving the General Sessions Courts and the General Sessions Judges' Conference pursuant to Tennessee Code Annotated, Section 16-15-5007 and Section 67-4-606(a)(B)(9).

Item 5. To the Administrative Office of the Courts from the unexpended balance of revenue from the gift received to benefit the Hillman Taylor Library in Memphis.

Item 6. To the Judicial Branch, Board of Law Examiners in Section 1, Title II, Item 13. The carry-forward amount shall be the difference between expenditures and revenues, including any reserve balance.

Item 7. To the District Attorneys General from revenues earned from the Department of Human Services for food stamp fraud prosecution activities, the unexpended balance of such funds, not to exceed \$100,000.

Item 8. To the Secretary of State for publication of the Blue Book pursuant to Section 1, Title III-1, Item 3.3 and Section 36, Item 7.

Item 9. To the Secretary of State, Help America Vote Act in Section 61, Item 11, for providing state match to federal funds.

Item 10. To the Alcoholic Beverage Commission from the unexpended balance of departmental revenues of the Alcohol Server Responsibility and Training Program authorized by Tennessee Code Annotated, Title 57, Chapter 3, Part 7.

Item 11. To the Human Rights Commission in Section 1, Title III-2, Item 2.3, an amount not to exceed \$200,000.

Item 12. To the Department of Finance and Administration in Section 36, Item 11, and in Section 54, Item 22 of Chapter 1135, Public Acts of 1998, to fund the Safe Neighborhoods Act of 1998.

Item 13. To the Department of Finance and Administration, from the appropriation made in Section 36, Item 12, and in Section 1, Title III-21, Item 30, of Chapter 503, Public Acts of 2005, for the Governor's Methamphetamine Initiative.

Item 14. To the Department of Finance and Administration in Section 1, Title III-2, Item 3.10, State Planning Office, in the amount of \$2,000,000 (non-recurring).

Item 15. To the Department of Finance and Administration from the appropriation made in Section 1, Title III-2, Item 3.8, State Health Planning Division.

Item 16. To the Department of Finance and Administration any unexpended real estate fees collected by the Real Property Management Division.

Item 17. To the Department of Personnel in Section 36, Item 15, and in Section 36, Item 7 of Chapter 435, Public Acts of 2001, for a classification-compensation study.

Item 18. To the Department of Personnel in Section 1, Title III-2, Item 4, and in Section 36, Item 16, to fund Training Initiatives.

Item 19. To the Department of Veterans Affairs in Section 36, Item 17, and in Section 1, Title III-2, Item 6, of Chapter 503, Public Acts of 2005, the unexpended balance of the \$300,000 appropriation for Memphis cemetery headstones realignment, which is hereby reappropriated for that purpose and for other non-recurring costs at the veterans cemeteries.

Item 20. To the Board of Probation and Parole, Community Corrections, in Section 1, Title III-24, Item 2, pursuant to Tennessee Code Annotated, Section 40-36-304(c)(1).

Item 21. To the Board of Probation and Parole in Section 36, Item 51 and in Section 57, Items 18(a) and (c) of Chapter 963, Public Acts of 2006, in the amount of \$425,100 (non-recurring) for the purchase of supplies for safety improvements.

Item 22. To the Department of Agriculture the unexpended balance of revenues from timber sales at state forests and state parks.

Item 23. To the Department of Agriculture for the agricultural enhancement program in Section 36, Item 20 and in Section 60, Item 10, of Chapter 503, Public Acts of 2005.

Item 24. To the Department of Education in Section 12, Item 87 for the sole purpose of making a grant to Students Obtaining Academic Excellence (SOAR) of Chattanooga.

Item 25. To the Department of Agriculture in Section 1, Title III-3, Item 4, Forestry Operations, in the non-recurring amount of \$3,848,000 to replace aging equipment.

Item 26. To the Department of Environment and Conservation, Land Reclamation, in Section 1, Title III-5, Item 16.

Item 27. To the Department of Environment and Conservation, State Parks in Section 36, Item 23 and in Section 38 of Chapter 963, Public Acts of 2006.

Item 28. To the Department of Environment and Conservation for a rural water supply study in Section 36, Item 24 and in Section 57, Item 22, of Chapter 963, Public Acts of 2006. The unexpended balance is reappropriated for a water resources management and planning study.

Item 29. To the Tennessee Historical Commission in Section 1, Title III-5, Items 3 and 9, for the Tennessee Wars Commission.

Item 30. To the Tennessee Historical Commission the unexpended funds from any prior appropriations for publications, historical markers and other historical activities.

Item 31. To the Department of Economic and Community Development from the appropriation made in Section 1, Title III-8, to support the Three-Star community program, the Main Street program, and other community development programs.

Item 32. To the Department of Economic and Community Development in Section 36, Item 28, and in Section 60, Item 1, of Chapter 503, Public Acts of 2005, for the Jobs Package.

Item 33. To the Department of Economic and Community Development in Section 41, Item 49, and the funds are reappropriated to make loans to growing small and diversity businesses.

Item 34. To the Department of Economic and Community Development, Tennessee Film/Television Incentive Fund, pursuant to T.C.A., Section 4-3-4903(e), the Commissioner of Finance and Administration is authorized to carry forward unexpended balances of any appropriations made for the incentive fund.

Item 35. All funds appropriated to the Department of Education for the purposes of the state testing programs which remain unobligated and unexpended at the end of any fiscal year shall not revert to the general fund but shall be carried forward in a reserve to be expended for the purposes of such programs.

Item 36. To the Department of Education in Section 1, Title III-9, Item 2.1(e), in an amount not to exceed \$2,000,000 for the Teach Tennessee Program.

Item 37. To the Department of Education in Section 36, Item 33 and in Section 1, Title III-9, Item 2.1(e), of Chapter 503, Public Acts of 2005, to fund a professional development, leadership, and training initiative program.

Item 38. To the Department of Education in Section 1, Title III-9, Item 2.1(a), for the Governor's Schools Program.

Item 39. To the Department of Education in Section 1, Title III-9, Item 4.5, for the Governor's Institute for Science and Math.

Item 40. To the Department of Education in Section 57, Item 6, the sum of \$6,500,000 (non-recurring) for public television digital conversion.

Item 41. To the Department of Labor and Workforce Development in Section 1, Title III-13, Item 6 for the Second Injury Fund.

Item 42. To the Department of Mental Health and Developmental Disabilities in Section 1, Title III-14, Item 2.6, for housing initiatives for the seriously and persistently mentally ill.

Item 43. To the Department of Military in Section 1, Title III-15, Item 1, for tuition assistance.

Item 44. To the Department of Health in Section 1, Title III-16, Item 3.3, for the Model Teen Pregnancy Prevention Program and any unexpended balances of the recurring appropriations made in Section 12, Item 24 of Chapter 503, Public Acts of 2005, and in subsequent appropriation acts.

Item 45. To the Department of Revenue for the production of license plates.

Item 46. To the Department of Safety and the Tennessee Bureau of Investigation from the handgun carry permit fees paid pursuant to Tennessee Code Annotated, Section 39-17-1351.

Item 47. To the Department of Children's Services in Section 1, Title III-23. Subject to the availability of revenue, the Commissioner of Finance and Administration is authorized to carry forward funds to provide: a) for the loss of federal SSBG funds; b) for any grant agreement/contract for the purpose of pre-placement or post-adoption services for youth with special needs; c) for a statewide needs assessment of child welfare services; d) for the Social Worker Training Consortium Program; and e) for costs of accreditation of the department.

Item 48. To Miscellaneous Appropriations in Section 36, Item 43, and in Section 1, Title III-21, Item 18 of Chapter 961, Public Acts of 2004, for performance-based budgeting. The carry-forward shall not exceed \$500,000.

Item 49. To the Internet Stalking – Public Education program in Section 36, Item 45, and in Section 1, Title III-21, Item 32, of Chapter 963, Public Acts of 2006.

Item 50. To the Biofuels Project in Section 36, Item 46 and in Section 57, Item 21, of Chapter 963, Public Acts of 2006.

Item 51. To the Miscellaneous Appropriations in Section 1, Title III-22, Item 32, for the American Battles Monument Commission.

Item 52. To the Miscellaneous Appropriations in Section 61, Item 13, for the Telling Tennessee Stories audio history project.

Item 53. To the Department of Finance and Administration in Section 1, Title III-22, Item 33.4, for the use of Nashville MTA bus services for state employees, in an amount not to exceed \$200,000.

Item 54. To the Department of Finance and Administration in Section 59, Item 12, in the amount of \$250,000 for a grant to the Tennessee Association of Police Chiefs to fund an Internet Predators Awareness campaign.

Item 55. To the Department of Transportation in Section 1, Title III-30, Item 2, for equipment purchases.

Item 56. To the Department of Transportation for any appropriations which are reserved at June 30, 2008.

Item 57. To the Department of Economic and Community Development in the amount of \$25,000 in Section 61, Item 21. The funds are hereby reappropriated to provide a non-recurring grant to the State Legislative Leaders Foundation. The reappropriations shall be in addition to the \$75,000 appropriation in Section 1, Title III-22, Item 34, of this act. It is the legislative intent that a grant not to exceed \$100,000 be made to the organization for the purpose of the state being represented in its official capacity as host of a State Legislative Leaders Foundation meeting or workshop in Tennessee.

Item 58. To the Department of Finance and Administration in Section 12, Item 60, in the amount of \$100,000 to make a grant to the Darryl Worley Cancer Treatment Center in Savannah. Said funds are hereby reappropriated to the Department of Health for the purpose of making a grant to the Darryl Worley Cancer Treatment Center in Savannah to be used for operational expenses or for capital outlay to be determined by the Department of Health.

Item 59. To the Department of Military, TEMA Disaster Relief Grants, in Section 36, Item 54 and in Section 62, Item 5, of Chapter 963, Public Acts of 2006, and carried forward at June 30, 2006, in an amount not to exceed \$500,000, to be determined by the Commissioner of Finance and Administration, is reappropriated to the State Building Commission for capital outlay at Volunteer State Community College, to the extent that April 2006 storm damage capital outlay costs are not recovered from the Risk Management Fund and the Federal Emergency Management Agency.

Item 60. To the Ethics Commission in Section 4, Title III-1, Item 3.9, unexpended departmental revenues shall not revert to the general fund.

Item 61. To the Department of Veterans Affairs, in Section 4, Title III-2, Item 5, unexpended burial fees and federal burial grant funds shall not revert to the general fund.

Item 62. To the Department of General Services, in Section 4, any unexpended revenues received for conducting conferences for the Governor's Office of Diversity and Business Enterprise shall not revert to the general fund.

Item 63. To the court system in Section 1, Title II, Item 1, Appellate and Trial Courts, in the amount of \$2,600,000 (non-recurring) to provide funds to counties for new or upgraded audio, video, and recording systems in courtrooms and for security systems in courtrooms.

Item 64. To the Attorney General and Reporter in Section 1, Title III-1, Item 1.1, an amount equivalent to the unexpended balances of the appropriations made in Section 62, Item 4 of Chapter 963, Public Acts of 2006, which reverted to the general fund balance.

Item 65. To the Appellate and Trial Courts in Section 1, Title II, Item 1, in the non-recurring amount of \$2,000,000 for courtroom security purposes.

Item 66. To the Secretary of State, Charitable Solicitations and Charitable Gaming, in Section 1, Title III-1, Item 3.8 and in Section 4, Title III-1, Item 3.7. The unexpended balances of state appropriation and departmental revenue are hereby reappropriated to fund a charitable solicitations systems development project.

Item 67. To the Department of Finance and Administration, Criminal Justice Programs, in Section 12, Item 7, in the amount of \$100,000 to designate five adult day care centers or senior centers as model programs worthy of emulation pursuant to Chapter 573, Public Acts of 2007.

Item 68. To the Department of Finance and Administration, Criminal Justice Programs, in Section 59, Item 11, in the amount of \$150,000 (non-recurring) for the Internet Crimes Against Children Task Force.

Item 69. To the Department of Finance and Administration, Criminal Justice Programs, in Section 59, Item 12, in the amount of \$250,000 (non-recurring) for the Internet Predators Awareness program.

Item 70. To the Department of Finance and Administration, Governor's Office of State Planning and Policy, in Section 1, Title III-2, Item 3.10, in the non-recurring amount of \$2,000,000 for procurement of specialized professional assistance or research.

Item 71. To the Board of Probation and Parole in Section 36, Item 51 and in Section 57, Items 18(a) and (c) of Chapter 963, Public Acts of 2006, in the amount of \$425,100 (non-recurring) for the purchase of supplies for safety improvements.

Item 72. To the State Board of Education, in Section 12, Item 54, in the amount of \$200,000 for the sole purpose of facilitating program development in accordance with Chapter 459, Public Acts of 2007.

Item 73. To the Department of Military in Section 1, Title III-15, Item 4, the unexpended balance of the non-recurring appropriation of \$378,900 for Earthquake Preparedness.

Item 74. To the Department of Health, Community and Medical Services, in Section 1, Title III-16, Item 3.5, as amended in Section 60, Item 12 and in Section 71, in the amount of \$10,000,000 for a comprehensive tobacco-use prevention and cessation initiative.

SECTION 37. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Subject to the availability of revenue at June 30, 2008, any unexpended balances of appropriations made under Chapter 603, Public Acts of 2007, other acts of this General Assembly or acts by previous General Assemblies for benefit of an agency of local government or a third-party nonprofit organization for which

there is a grant agreement/contract approved by the Commissioner of Finance and Administration or the Secretary of State are hereby reappropriated to be expended in the 2008-2009 fiscal year and such appropriations shall be carried forward in a reserve into the fiscal year beginning July 1, 2008. The Commissioner of Finance and Administration or the Secretary of State shall provide a list of any unexpended balances carried forward to the Director of Accounts and to the Division of State Audit. The reappropriation and carry-forward of these funds is subject to approval by the Commissioner of Finance and Administration or the Secretary of State, respectively, and expenditure and reporting requirements to the Secretary of State are adjusted accordingly to the fiscal year in which the funds are received by the grant recipient, notwithstanding any provision in the grant agreement to the contrary.

SECTION 38. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated the following amounts which shall be in addition to the appropriations provided under Chapter 603, Public Acts of 2007:

Judicial

1.	Guardian ad Litem.....	\$	2,000,000.00
2.	Indigent Defendants Counsel.....		3,000,000.00
3.	General Sessions Judges' Conference		25,000.00
	Total Judicial.....	\$	5,025,000.00

Claims and Compensation

1.	Criminal Injuries Compensation Fund	\$	1,800,000.00
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Economic and Community Development

1.	FastTrack Infrastructure and Job Training Assistance	\$	6,900,000.00
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Military

1.	Emergency Management – Federal Grant – State Match.....	\$	967,200.00
2.	Public Safety Interoperability – Federal Grant – State Match		3,508,100.00
	Total Military	\$	4,475,300.00

Tennessee Bureau of Investigation

1.	DNA Analysis – 2007 Johnia Berry Act.....	\$	300,000.00
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Miscellaneous Appropriations

1.	Former Governors and Widows Pensions.....	\$	10,000.00
2.	Rent – Human Services – Federal A-87 Rate		363,500.00
3.	Rent – Facilities Revolving Fund – Other Agencies		291,300.00
4.	State Employees – Meal and Lodging Rates		400,000.00

Total Miscellaneous Appropriations..... \$ 1,064,800.00

TOTAL \$ 19,565,100.00

The Commissioner of Finance and Administration is authorized to allot and transfer these appropriations to the appropriate expenditure account within each department, agency or branch of government and to adjust authorized positions accordingly. The Commissioner of Finance and Administration is further authorized to adjust federal aid and departmental revenues accordingly. The appropriations to the Department of Military shall not revert to the general fund at June 30, 2008, and are hereby reappropriated in the fiscal year beginning July 1, 2008.

SECTION 39. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. There is hereby appropriated from departmental revenues and federal aid funds the amounts hereinafter set out:

	<u>2007-2008</u>	<u>2008-2009</u>
1. Finance and Administration, Bureau of TennCare		
1. TennCare Services	\$ 1,262,800	\$ 1,750,600
1. Tennessee Wildlife Resources Agency		
1. Wetlands Acquisition Fund	1,000,000	0
1. Education (K-12)		
1. Improving School Programs	530,600	0
2. Special Education Services	0	190,000
3. Alvin C. York Institute	3,600	0
4. Tennessee School for the Blind	3,600	0
5. Tennessee School for the Deaf	3,600	0
6. West Tennessee School for the Deaf	3,600	0
Total Education (K-12)	545,000	190,000
1. Mental Health and Developmental Disabilities		
1. Administrative Services Division	9,000	9,000
2. Community Mental Health Services	491,000	491,000
Total Mental Health and Developmental Disabilities	500,000	500,000
1. Health		
1. Women, Infants, and Children (WIC)	23,390,500	23,390,500
2. Local Health Services	3,470,400	3,470,400
Total Health	26,860,900	26,860,900
GRAND TOTAL	\$ 30,168,700	\$ 29,301,500

At June 30, 2008, any unexpended balances of departmental revenues and federal aid funds appropriated in this section are hereby reappropriated in the fiscal year beginning July 1, 2008.

SECTION 40. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated a sum sufficient to

recognize any accrued liability of the state and any obligations between state agencies at June 30, 2009, and federal aid and departmental revenues may be adjusted accordingly. This appropriation is subject to certification of the accrued liability and obligations between state agencies by the Commissioner of Finance and Administration to the State Comptroller.

SECTION 41. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1.

(1) All savings of appropriations made in this act from employer FICA taxes as a result of employee participation in any Section 125 cafeteria plan established for state employees are hereby appropriated in the following sequence:

(a) An amount sufficient to implement and pay the cost of administering the cafeteria plan established for such employees is hereby appropriated for that purpose. From the appropriation made in this item, the State Treasurer, with the approval of the Commissioner of Finance and Administration, is authorized to establish positions and funding for such positions in the Department of Treasury to fund recurring and non-recurring costs of administering the cafeteria plan established for such employees. There is hereby appropriated a sum sufficient to pay additional costs of administering the State Employee Cafeteria Plan as a result of increased participation in the plan by state employees; and

(b) An amount up to but not exceeding \$600,000 for the wellness program or other state employee insurance programs administered by the Department of Finance and Administration; and

(c) An amount up to but not exceeding \$150,000 for the daycare program for children of state employees as administered by the Department of Human Services, provided that allotment of funds under this sub-item is subject to approval of the Commissioner of Finance and Administration; and

(d) An amount up to but not exceeding \$130,000 to fund the administrative costs of the state employee sick leave bank administered by the Department of Personnel; and

(e) The amount remaining to provide a source of funding for the employer match to the state's 401(k) plan for state employees compensated on the centralized state payroll system pursuant to TCA, Title 8, Chapter 25.

(2) There is hereby appropriated in Section 1, Title III-22, Item 18, of this act the sum of \$6,697,000 for the forty dollar (\$40) match for state

employees compensated on the centralized state payroll system if the amount appropriated from the employer FICA tax savings from the Section 125 cafeteria plan is insufficient.

(3) There is hereby appropriated a sum sufficient from employer FICA tax savings from the Section 125 cafeteria plan maintained by the University of Tennessee to provide for the employer match to the state's 401(k) plan for employees of institutions under the University of Tennessee system pursuant to TCA, Title 8, Chapter 25. Should this be insufficient to provide for the forty dollar (\$40) match, there is appropriated in Section 1, Title III-10, of this act, the sum of \$2,093,100 to supplement funding for such match.

(4) There is hereby appropriated a sum sufficient from employer FICA tax savings from the Section 125 cafeteria plan maintained by the Board of Regents system to provide for the employer match to the state's 401(k) plan for employees of institutions under the Board of Regents system pursuant to TCA, Title 8, Chapter 25. Should this be insufficient to provide for the forty dollar (\$40) match, there is appropriated in Section 1, Title III-10, of this act, the sum of \$3,460,500 to supplement funding for such match.

(5) The State Treasurer shall have the authority to contract with the optional retirement plan vendors to provide investment products to optional retirement plan participants under the state's 401(k) program.

Item 2. The remaining funds from the \$1,000,000 appropriated in Chapter 1011, Section 12, Item 3 of the Public Acts of 1994 for library construction are hereby reappropriated to the Department of State. The Secretary of State is authorized to reallocate remaining funds from projects that have not developed to other unspecified locations and counties where future library construction projects may develop.

Item 3. The remaining funds from the \$1,000,000 appropriated in Chapter 963, Section 1, Title III-1, Item 3.9 of the Public Acts of 2006 for library construction are hereby reappropriated to the Department of State. The Secretary of State is authorized to reallocate remaining funds from projects that have not developed to other unspecified locations and counties where future library construction projects may develop.

Item 4. There is hereby appropriated a sum sufficient from earmarked and/or dedicated agency revenues and reserves to provide for the costs of implementing the state's Underground Storage Tanks Program. The Commissioner of Finance and Administration shall allocate the costs to the individual agencies and establish the appropriations required from revenues and reserves available to the individual agencies.

Item 5. There is hereby appropriated a sum sufficient from general fund interest earnings for the purpose of funding the State of Tennessee's liability under IRS regulations for arbitrage interest earnings on proceeds from general obligation debt.

Item 6. There is hereby appropriated a sum sufficient from general fund interest earnings for the purpose of funding the state's liability for the exchange of interest with the federal government as provided for in the Cash Management Act of 1990.

Item 7. There is hereby appropriated a sum sufficient to provide for a consultant's services in review of accounts receivable management for the State of Tennessee and for the implementation of those recommendations to the extent the recommendations are approved by the Commissioner of Finance and Administration. It is the intent of the legislature that said appropriation shall be funded from revenues collected from accounts receivable. The Commissioner of Finance and Administration may establish such positions as may be required to cost-effectively implement such recommendation. The Commissioner also is authorized to allocate a portion of the revenues collected to the appropriate organizational units and programs of state government and to adjust federal aid and other departmental revenue accordingly. Each allocation shall be a one-time incentive to maximize accounts receivable collections and shall be used to fund non-recurring items only.

Item 8. There is hereby appropriated a sum sufficient for the purpose of implementing an employee maintenance policy by the Department of Finance and Administration effective July 1, 2008. It is the legislative intent to hold harmless, employees affected by the maintenance policy who were employed as of June 30, 1998. The Commissioner of Finance and Administration is authorized to allocate the appropriation to the appropriate organizational units and programs of state government and to adjust federal aid and departmental revenue allotments accordingly.

Item 9. From the appropriations in Sections 1 and 4 of this act, sums sufficient are appropriated for state agencies to pay the professional privilege tax levied in Tennessee Code Annotated, Title 67, Chapter 4, Part 17, on behalf of full-time state employees who are subject to the tax; and who use the certification in their job duties. The payment is subject to approval by the department or agency head in accordance with the provisions of Tennessee Code Annotated, Section 67-4-1709.

Item 10. From the appropriations made in Section 1, Titles III-2 through III-30 and in Section 4, Titles III-2 through III-27, to the Executive Branch departments and agencies, the Commissioner of Finance and Administration is authorized to transfer amounts budgeted for contract services to payroll and to increase the number of authorized positions to replace contractors with state employees.

Item 11. Subject to the financial reporting requirement that the value of federal food stamps be recognized in the state's accounting system, there is hereby appropriated a sum sufficient from federal funds to recognize the value of food stamps.

Item 12. The Commissioner of Finance and Administration is hereby authorized to establish a reserve account for Community Services Agency (CSA). If any CSA ceases to operate, any fund balances may be deposited to

this account. There is hereby appropriated a sum sufficient from the reserve account to provide for outstanding obligations of any CSA or the ongoing operational cost of any CSA. Disbursement from this fund is subject to the approval of the Commissioner of Finance and Administration.

Item 13. From the funds appropriated by this act, the Commissioner of Finance and Administration is authorized to transfer a sum sufficient to the Department of General Services, Division of Motor Vehicle Management Internal Service Fund for the acquisition of motor vehicles.

Item 14. In the fiscal year ending June 30, 2009, the proceeds from the sale of surplus property assigned to General Services, Property Management, may be carried forward in a reserve into the subsequent fiscal year and is hereby reappropriated. This appropriation is subject to approval by the Commissioner of Finance and Administration.

Item 15. The appropriations made in Section 1, Title III-22, Items 22 and 23, of this act to the UT Center for Business and Economic Research are reimbursement for research assistance to the Department of Finance and Administration (\$125,000) and for services delivered under the state data contract with the U.S. Census Bureau (\$40,000) and (\$278,000).

Item 16. There is appropriated to the Department of the Treasury a sum not to exceed \$223,140 from the Criminal Injuries Compensation Fund for grants to the District Attorneys General for domestic violence prevention and drug enforcement activities authorized under Tennessee Code Annotated, Section 29-13-116.

Item 17. There is hereby appropriated from the earnings of the funds of the Tennessee Consolidated Retirement System to the Tennessee Department of Treasury a sum sufficient for implementation of project CONCORD as authorized in TCA 8-34-321; provided, however, that said sum sufficient shall be subject to the approval of the Commissioner of Finance and Administration. The State Treasurer shall file a request to establish such sum sufficient with the Commissioner of Finance and Administration and the Chair and Vice Chair of the Council on Pensions and Insurance. The Commissioner of Finance and Administration shall not act upon such request until in receipt of a letter from the Chair and Vice Chair of the Council on Pensions and Insurance acknowledging receipt of the State Treasurer's request. Within the appropriation approved pursuant to this item the State Treasurer, with the approval of the Speaker of the Senate and the Speaker of the House of Representatives, is authorized to establish positions and funding needed to effectuate TCA 8-34-321.

Item 18. In addition to the appropriation made in Section 1, Title III-30, Item 3, for Highway Maintenance, and Item 5.5 for State Highway Construction in Chapter 603, Public Acts of 2007, there is further appropriated such amount as the Commissioner of Finance and Administration shall determine is available from tax revenues allocated to the highway fund and from the highway fund balance.

Item 19. In the fiscal year ending June 30, 2008, there are hereby appropriated sums sufficient in amounts equal to the unexpended balances of prior year accrued liabilities in the following education programs: a) Safe Schools Act of 1998; b) Coordinated School Health Program; c) State testing programs; d) Governor's Schools; and e) Governor's Institute for Science and Math. The appropriations shall not revert at June 30, 2008, but shall be carried forward and are hereby reappropriated in the fiscal year beginning July 1, 2008.

Item 20. In the fiscal year ending June 30, 2008, there are hereby appropriated sums sufficient from the unexpended balances of prior year accrued liabilities for the Special Schools and the Tennessee Infant Parent Services School. The Commissioner of Finance and Administration shall determine the amounts of appropriations to be established pursuant to the requirements of Tennessee Code Annotated, Section 49-50-1002(b)(2). These appropriations are in addition to appropriations made to the Department of Education in Section 1, Title III-9 of the 2007 Appropriations Act.

Item 21. In the fiscal year ending June 30, 2009, any unexpended state appropriations, not to exceed ten percent (10%) of the total appropriated funds, made for the Tennessee Early Intervention Services program may be reserved to be carried forward to the next fiscal year. Said reserve is subject to the approval of the Commissioner of Finance and Administration.

Item 22. From the appropriation in Section 41, Item 52, of Chapter 603, Public Acts of 2007, and in Section 59, Item 1, of Chapter 963, Public Acts of 2006, to the Department of Education for the Coordinated School Health program, the Commissioner of Finance and Administration is authorized to carry forward in a reserve the unexpended balance of the appropriation at June 30, 2008. This carry-forward and reappropriation of funds is subject to approval of the Commissioner of Finance and Administration.

Item 23. In the fiscal year ending June 30, 2008, any unexpended funds from the non-recurring appropriations made in Section 38 of Chapter 963, Public Acts of 2006, for ethics legislation shall not revert to the general fund, and are hereby reappropriated in the fiscal year beginning July 1, 2008.

Item 24. From the appropriations made in Section 1, Title III-8, to the Department of Economic and Community Development, the Commissioner of Finance and Administration is authorized to make transfers to recognize administrative reorganizations and to adjust authorized positions, federal aid, and other departmental revenue accordingly.

Item 25. In the fiscal year ending June 30, 2008, there is hereby appropriated a sum sufficient to the Administrative Office of the Courts from revenues and reserves available to the General Sessions Judges' Conference pursuant to Tennessee Code Annotated, Section 16-15-5007 and Section 67-4-606(a)(B)(9) to defray expenses of serving the general sessions courts.

Item 26. In the fiscal year ending June 30, 2008, there is appropriated a sum sufficient from the revenues and reserves of the Tennessee Regulatory Authority to fund an increase in the authority's indirect cost recovery charge.

Item 27. In the fiscal years ending June 30, 2008 and June 30, 2009, there are hereby appropriated sums sufficient to the Department of Environment and Conservation, Tennessee State Parks, from revenues collected by the parks system.

Item 28. In the fiscal year ending June 30, 2008, the Department of Economic and Community Development is authorized to carry forward a sum not to exceed \$95,000 to make loans to growing small and diversity businesses, and such sum may be transferred to the appropriate program in the agency. This carry-forward and reappropriation of funds is subject to approval of the Commissioner of Finance and Administration.

Item 29. In the fiscal year ending June 30, 2008, there is hereby appropriated the additional sum of \$5,500,000 from the Lottery for Education Account to the After-Schools Program Special Account. The Commissioner of Finance and Administration is directed to transfer the sum of \$5,500,000 from the After-Schools Program Special Account to the BEP and Other LEA Support program.

Item 30. From the appropriation in Section 1, Title III-8, Item 2, to the Department of Economic and Community Development for Business Development, the sum of \$1,250,000 is intended to fund a non-recurring grant to the Southeast Community Capital Corp. for the Rural Opportunity Fund, a public-private partnership implementing a small-business loan program targeted to small, minority, and women-owned rural businesses that are unable to access traditional loan capital.

Item 31. From the appropriations in Section 1 and Section 4 to the Department of Safety, Driver License Issuance, it is the legislative intent to provide non-recurring funds to establish a reserve to meet the requirements of the federal REAL ID Act. The funding sources are a non-recurring \$6,500,000 appropriation in Section 1 and a non-recurring appropriation of \$20,000,000 in Section 4 from estimated excess funds in the title and registration (T&R) system development reserve.

Item 32. The appropriation in Section 1, Title III-22, Item 35 in the amount of \$500,000 is appropriated for the sole purpose to provide a grant to Fisk University; provided that this appropriation is contingent upon a certification to the Commissioner of Finance and Administration that the Metropolitan Government of Nashville and Davidson County has granted \$500,000 to the college; provided further that the appropriation is contingent upon submission of a plan for use of the funds by the college and upon approval of the plan by the Tennessee Higher Education Commission, the Commissioner of Finance and Administration, and the Comptroller of the Treasury; and provided further that the college agrees to comply with the provisions of Section 55 of this act.

Item 33. In the fiscal year ending June 30, 2009, there is hereby appropriated a sum sufficient from the state reserve for the Help America Vote Act for the purpose of matching federal funds.

Item 34. The grant made to the Tennessee Sports Hall of Fame (Hall) within Section 12, Item 20 of Chapter 603 of the Public Acts of 2007 shall be matched on a dollar for dollar basis by private donations, provided that the private donations received and the state funds matched shall be restricted to use for the improvement of museum exhibits and equipment and the acquisition of additional artifacts for the museum. Donations used to match state funds and the state matching funds shall not be used to supplement general operations of the museum, it being the legislative intent to promote physical improvements at the museum.

Item 35. From the appropriations made in Section 1, Title III-25, to the Department of Finance and Administration – Mental Retardation, the Commissioner of Finance and Administration is authorized to transfer \$86,700 from Mental Retardation Administration, including one position, and \$7,168,700 from Community Mental Retardation Services to the Department of Education, and to adjust departmental revenues accordingly. The Commissioner of Finance and Administration is authorized to adjust such sums to consolidate the system implementing early intervention services within the Department of Education.

Item 36. From the appropriations to the Department of Commerce and Insurance in Section 1, Title III-11 of Chapter 603, Public Acts of 2007, the Commissioner of Finance and Administration is authorized to make a sum sufficient appropriation transfer to the Fire Service and Codes Enforcement Academy.

Item 37. In the fiscal year ending June 30, 2009, there is hereby appropriated the sum of \$62,800 from dedicated revenues and \$62,800 from departmental revenues to the Department of Financial Institutions to support post-secondary and adult education financial literacy programs. This Item is subject to approval of the Commissioner of Finance and Administration.

Item 38. The appropriations made in Section 12, Item 28 of Public Chapter 963 of 2006 and in Section 12, Item 23 of Public Chapter 603 of 2007 are hereby reappropriated to the Ned McWherter Center for Rural Development to be used solely for support of the operations and programs of the Center.

Item 39. In the fiscal year ending June 30, 2009, from the appropriations made to the Department of Transportation in Section 1, Title III-30 and in Section 4, Title III-27, the Commissioner of Finance and Administration is authorized to approve reorganizations and to adjust authorized positions, federal aid, and other departmental revenue for the purpose of implementing the Enterprise Resource Planning system.

Item 40. It is the legislative intent that the appropriation in Section 1, Title III-22, in the amount of \$500,000 to Fisk University to match grants may be made available in the fiscal year ending June 30, 2008.

Item 41. In the fiscal year ending June 30, 2008, any unexpended funds from the non-recurring appropriation made in Section 12, Item 33, of Chapter 603 of the Public Acts of 2007, for an annual health summit of minority communities

shall not revert to the general fund and are hereby reappropriated to the same entity for the same purpose in the fiscal year beginning July 1, 2008.

Item 42. In the fiscal year ending June 30, 2008, any unexpended funds from the non-recurring appropriation made in Section 12, Item 82, of Chapter 603 of the Public Acts of 2007, for implementing a mental health public awareness and education campaign shall not revert to the general fund and are hereby reappropriated to the same entity for the same purpose in the fiscal year beginning July 1, 2008.

Item 43. From the funds reverting from higher education to the general fund at June 30, 2008, the sum of \$500,000 is appropriated to the Tennessee Higher Education Commission, THEC Grants, for a grant to LeMoyne-Owen College; provided that this appropriation is contingent upon a certification to the Commissioner of Finance and Administration that the City of Memphis has granted \$1,000,000 and Shelby County has granted \$500,000 to the college; provided further that the appropriation is contingent upon submission of a plan for use of the funds by the college and upon approval of the plan by the Tennessee Higher Education Commission, the Commissioner of Finance and Administration, and the Comptroller of the Treasury; and provided further that the college agrees to comply with the provisions of Section 55, as introduced, of this act.

SECTION 42.

(a) Notwithstanding any provision of the law to the contrary, no law of general application which imposes increased expenditure requirements on cities and counties in excess of one million dollars (\$1,000,000.00) shall take effect unless the state share of the cost of such law is specifically appropriated by the provisions of this act.

(b) From the growth in state-shared taxes apportioned to cities and counties, a sum sufficient hereby is appropriated to fund the state share of the cost of any law of general application which requires, without local discretion, that incorporated municipalities or county governments increase expenditures as a direct consequence of passage of any general law.

SECTION 43. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. It is the legislative intent to recognize a base recurring over-appropriation of \$76,600,000 in the general fund in 2007-2008 and a non-recurring reversion of \$152,200,000 in 2007-2008.

It is further the legislative intent to recognize an additional reversion of \$221,200,000 in 2007-2008 from the unexpended balances of appropriations authorized to be carried- forward in a reserve at June 30, 2008, pursuant to Section 36 of this act and from statutory reserve balances, pursuant to Senate Bill No. 4186/House Bill No. 4149 becoming law.

It is the legislative intent to recognize a base recurring over-appropriation of \$100,000,000 and a TennCare reversion of \$20,000,000 in the general fund in 2008-2009.

Item 2. In the fiscal year ending June 30, 2008, there shall be reserved or designated a sum in the general fund balance to provide for non-recurring appropriations and other appropriations intended to be funded in the 2008-2009 fiscal year from the general fund balance at June 30, 2008. The Commissioner of Finance and Administration shall determine the amount to be reserved or designated.

Item 3. Under the provisions of Tennessee Code Annotated, Section 55-6-107(a), the sum of \$4,100,000 shall be allocated to the general fund for the cost of issuing motor vehicle registration plates in the fiscal year ending June 30, 2009.

Item 4. Unexpended appropriations in an amount to be determined by the Commissioner of Finance and Administration shall be transferred from the debt service fund to the general fund in the fiscal year ending June 30, 2008.

Item 5. In the fiscal year ending June 30, 2008, tax revenues allocated to the debt service fund, including motor vehicle title fees, in excess of \$320,400,000 shall be transferred to the general fund. If said allocation to the debt service fund is less than \$320,400,000, then the allocation of excise tax revenues to the debt service fund shall be increased in an amount to provide the allocation of \$320,400,000 to the debt service fund.

Item 6. In the fiscal year ending June 30, 2008, the allocation of motor vehicle title fees to the debt service fund shall be the lesser of \$2,700,000 or the sum generated by the \$1.50 fee under the provisions of Tennessee Code Annotated, Section 55-6-101(a)(1).

Item 7. It is the legislative intent that any required reversion from higher education appropriations to the general fund balance at June 30, 2008, be drawn from the unexpended balance in the Tennessee Higher Education Commission, the Tennessee Student Assistance Corporation, and from Tennessee Student Assistance Awards, in an amount not to exceed \$1,700,000.

Item 8. In the fiscal year ending June 30, 2008, the appropriations made in Section 1, Title III-17 of the 2007 Appropriations Act to the Department of Human Services to fund programs or services for temporary assistance shall be reduced in an amount equal to the unexpended and unobligated balances of the appropriations. The reductions shall be made to recognize over-appropriation savings in programs or services for temporary assistance in the fiscal year ending June 30, 2008.

SECTION 44. There is hereby appropriated a sum sufficient from the State Office Buildings and Support Facilities Revolving Fund to provide for expenditures authorized under Title 9, Chapter 4, Part 9, of the Tennessee Code Annotated. There is appropriated a sum sufficient to the revolving fund in recognition of the lease cost of space for which recovery is not in the state's best interest. The Commissioner of

Finance and Administration is authorized to allot, from the amount carried forward under Tennessee Code Annotated, Title 9, Chapter 4, Part 9, to provide funding for state office buildings and support facilities, and is further authorized to make appropriation transfers between the revolving fund and state departments and agencies.

SECTION 45. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. There is hereby created a Capital Projects Account in the Office of Information Resources for the administration of the Information Systems Capital Projects Budget.

This account is established to provide for:

(a) Implementation of the statewide Management Information Systems Plan;

(b) Ability to separate the operational budget of the Office of Information Resources and the system development projects contained in the MIS Plan; and

(c) Financial control of the system development projects, including equipment replacement for the various agencies of state government.

Item 2. There is hereby authorized the transfer of those sums appropriated for Information Systems Capital Projects in Sections 1 and 4 and in Section 36, Item 1, of this act. Federal aid funds and other departmental revenues shall be adjusted accordingly to reflect the transfer of state appropriations.

Item 3. The Commissioner of Finance and Administration is authorized to transfer to the Capital Projects Account any appropriations made in Sections 1 and 4 of this act resulting from operating savings derived from implementation of information systems funded through this section.

Item 4. From the appropriations made for systems development and other data processing activities in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of information systems analyst positions and other data processing positions to said appropriations. The Commissioner of Finance and Administration is further authorized to transfer between departments and agencies existing information systems analysts positions, other data processing positions and the funding provided in this act for transferred positions. This appropriation is subject to approval by the Information Systems Council.

Item 5. Expenditure of any funds, subject to the jurisdiction of the Information Systems Council, appropriated for systems development, the purchase of computer software or the purchase of computer hardware shall be subject to the policies of such Council.

Item 6. From the appropriations made for information systems activities in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to transfer from professional services to payroll amounts budgeted for contractors. Additionally, the Commissioner of Finance and Administration is authorized to increase authorized positions in order to replace contractors with state employees.

Item 7. The Commissioner of Finance and Administration is authorized to approve an adjustment in rates charged by the Office of Information Resources and to reserve any funds needed to rebate savings to the federal government and to reallocate state appropriations between departments and to adjust federal aid and other departmental revenue accordingly. Any adjustment of rates or reserve of funds pursuant to the provisions of this act shall be reported to the Information Systems Council.

Item 8. The Commissioner of Finance and Administration shall have the authority to allocate savings generated from rate reductions from the Office of Information Resources Services to support modifications needed to be made to existing applications resulting from technology obsolescence or product nonperformance to extend the life of a system.

Item 9. From the funds appropriated in Section 1, Titles III-2 through III-30 and in Section 4, Titles III-2 through III-27 of this act, the Commissioner of Finance and Administration is authorized to establish positions and to transfer positions to provide staff for the Enterprise Resource Planning (ERP) systems development project.

SECTION 46.

Item 1. The revenues allocated under the provisions of Tennessee Code Annotated, Title 55, Chapter 4, Part 2 – Special License Plates, are hereby appropriated in a sum sufficient amount as provided in Part 2.

Item 2. From the motor vehicle registration fees imposed pursuant to Tennessee Code Annotated, Title 55, Chapter 4, Part 132, there is hereby appropriated a sum sufficient in the fiscal year ending June 30, 2009, to be used solely for the development, acquisition, and updating of a computerized titling and registration system, and for the operation of the titling and registration system. The Commissioner of Finance and Administration is authorized to allocate the funds to implement the intent of the act.

SECTION 47. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. From state revenues and other funds available to the general fund in excess of requirements for the fiscal year ending June 30, 2008, the Commissioner of Finance and Administration shall establish the Revenue Fluctuation Reserve in such amount as may be available under the provisions of Tennessee Code Annotated, Section 9-4-211. Provided, it is the legislative intent that the Revenue Fluctuation Reserve be set at a level of not less than \$750,000,000 on June 30, 2008.

Item 2. From state revenues and other funds available to the general fund in excess of requirements for the fiscal year ending June 30, 2009, the Commissioner of Finance and Administration shall establish the Revenue Fluctuation Reserve in such amount as may be available under the provisions of Tennessee Code Annotated, Section 9-4-211. Provided, it is the legislative intent that the Revenue Fluctuation Reserve be set at a level of not less than \$750,000,000 on June 30, 2009.

SECTION 48. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. The Commissioner of Finance and Administration is authorized to transfer all federal and state health care funds, except those funds appropriated to support the State Group Insurance Program, the Local Education Insurance Program and the Local Government Health Insurance Program, to the TennCare program for the purpose of implementing any program approved by waiver, state plan amendment and/or state and federal legislation pursuant to the provisions of health care services to Tennesseans designated as eligible by TennCare. In addition, any premiums collected by the TennCare program are explicitly authorized to be appropriated to the program for the purpose of carrying out the provisions of TennCare.

The Commissioner of Finance and Administration is further authorized to transfer state funds and positions, as required, between TennCare and Mental Health Services; Mental Retardation Services; other Health Services; Children's Services; Human Services; and Commerce and Insurance, Division of TennCare Oversight.

Item 2. For fiscal year 2008-2009, in addition to all other appropriations to the TennCare program, the Commissioner of Finance and Administration is authorized to use certified public expenditures and/or intergovernmental transfers from all government-related TennCare service providers and local governments for the purpose of matching funds under federal law for the TennCare program. The use of the certified public expenditures and/or intergovernmental transfers shall be in accordance with federal law and regulations.

Item 3. Subject to the availability of funding at June 30, 2008, the Commissioner of Finance and Administration is authorized to carry forward into the fiscal year beginning July 1, 2008, any unexpended balances of appropriations made under Chapter 603, Public Acts of 2007, for TennCare and such funds as are carried forward are hereby reappropriated to be expended in the 2008-2009 fiscal year.

Item 4. The Commissioner of Finance and Administration is hereby authorized to expend or lend from the funds appropriated such sums as the Commissioner deems appropriate to assist TennCare HMO(s) in their operations and obtain services from contractors, consultants, and other third parties to give such assistance, such being determined by the General Assembly to be for a public purpose. The Commissioner shall provide prompt notification to the Speakers of the Senate and House of Representatives and to the Chairs of the Finance, Ways and Means Committees regarding any such expenditure or loan

with complete details of the amounts and recipients involved in such transactions.

Item 5. The Commissioner of Finance and Administration is hereby authorized to adjust revenue estimates and related expenditures in Section 4, Title III-26, related to premiums and drug rebates for the purpose of carrying out the provisions of TennCare.

Item 6. The Commissioner of Finance and Administration is authorized to impose service limitations, to reduce optional eligibility categories, mandate standardized reimbursement levels, and/or reduce, or limit, optional benefits in the TennCare program as necessary to control program expenditures in the fiscal year ending June 30, 2008, and June 30, 2009.

Item 7. From the appropriation made in Section 1 to the TennCare program for HCBS Rate Equalization, the Commissioner of Finance and Administration is authorized to transfer \$143,700 to the Commission on Aging and Disability to equalize rates in the statewide home and community-based services waiver and the state Options program.

Item 8. In the fiscal year ending June 30, 2009, there is hereby appropriated to the TennCare program, the sum of \$5,000,000 from the TennCare reserve for the sole purpose of providing reimbursement grants to upgrade medical equipment at Safety Net hospitals with a percentage of TennCare days exceeding 35%. The Bureau of TennCare shall approve equipment upgrade proposals prior to purchase.

Item 9. In the fiscal year ending June 30, 2009, there is hereby appropriated to the TennCare program from the TennCare reserve the sum of \$30,000,000 (non-recurring) for the sole purpose of making payments to Tennessee hospitals. It is the legislative intent that these funds be used to:

(1) Address the needs of hospitals that experience high charity care expenses for services provided in their communities;

(2) Guarantee reimbursement to the state's critical access hospitals, as designated by the United States Department of Health and Human Services, of an amount equal to the actual costs experienced by such hospitals in treating the TennCare population; and

(3) Address un-reimbursed cost of services provided by critical access hospitals.

Expenditures for the purpose of effecting sub-item 1 above shall only be made to hospitals participating in the TennCare and CoverTN programs; provided, however, that this limitation does not apply to critical access hospitals. Expenditures for the purposes of effecting sub-items 2 and 3 above shall not exceed \$5,000,000. It is the legislative intent that the Commissioner of Finance and Administration utilize the TennCare reserve and any federal funding which may be available to make these payments.

Item 10. In the fiscal year ending June 30, 2009, there is hereby appropriated to the TennCare program from the TennCare reserve the sum of \$11,000,000 to provide funding for mental health infrastructure for the integrated MCO/BHO model in East and West Tennessee.

Item 11. In the fiscal year ending June 30, 2009, the Commissioner of Finance and Administration is authorized to transfer a sum sufficient, not to exceed \$10,100,000, from the TennCare reserve to the Division of Mental Retardation Services for systems development purposes.

SECTION 49.

Item 1. (a) It is the legislative intent that the survey portion of the commissioned officer pay plan in the Department of Safety as referenced in Tennessee Code Annotated, Section 4-7-205, shall not be implemented effective July 1, 2008.

(b) It is the legislative intent that the survey portion of the Tennessee Wildlife Resources Agency pay plan shall not be implemented effective July 1, 2008.

SECTION 50. From the appropriation in Section 1, Title III-11, Item 5, Regulatory Boards, an amount of \$200,000 is earmarked from the Board of Architectural and Engineering Examiners revenues or reserve funds for disbursement to accredited interior design programs, accredited architectural programs, accredited engineering programs and accredited landscape architectural programs of state-funded colleges and universities, after application to and subject to approval by the Board of Architectural and Engineering Examiners. The Board will develop guidelines for application, award and disbursement of the funds appropriated herein.

SECTION 51. From the appropriations made in Section 1 and Section 4 of this act, the Commissioner of Finance and Administration is authorized to transfer appropriation savings resulting from energy management projects to the major maintenance accounts of the departments and agencies. These funds may be used to pay debt service on associated bonds, to reimburse the general fund for appropriations made for energy management capital projects, to pay energy management fees, and to fund energy projects approved by the State Building Commission.

SECTION 52.

Item 1. From the Lottery for Education Account, the After-School Programs Special Account, and other accounts and sub-accounts established pursuant to Tennessee Code Annotated, Title 4, Chapter 51, the Tennessee Education Lottery Implementation Law, sums sufficient hereby are appropriated for the higher education scholarship programs and other education programs authorized by that law and by Tennessee Code Annotated, Title 49, Chapter 4, Part 9, relative to higher education scholarships; Title 49, Chapter 6, Part 1, relative to early childhood education and pre-kindergarten programs; Title 49, Chapter 6, Part 7, relative to after-school educational programs; Senate Bill No. 611/House Bill No. 653, relative to postsecondary financial assistance from net lottery proceeds, if such bill becomes law; Senate Bill No. 4211/House Bill No.

4210, relative to lottery scholarship retention, if such bill becomes law; and Senate Bill No. 2809/House Bill No. 2975, relative to lottery-funded after-school programs, if such bill becomes law. The appropriations from these sources for pre-kindergarten and early childhood education programs pursuant to Title 49, Chapter 6, Part 1, shall not exceed \$25,000,000 and for after-school programs pursuant to Title 49, Chapter 6, Part 7, shall not exceed the balance available in the After-School Programs Special Account at June 30, 2008, and such balance hereby is appropriated for expenditure in the fiscal year beginning July 1, 2008; provided, that in both cases the appropriation is contingent upon the availability of funds in the proper account and upon the availability of excess funds from net lottery proceeds, after the funding of higher education scholarships. The availability of excess funds shall be determined by the Commissioner of Finance and Administration prior to the distribution of any excess funds. A copy of such determination shall be filed with the Chairs of the Select Committee on the Tennessee Education Lottery Corporation and the Office of Legislative Budget Analysis. From the Lottery for Education Account, a sum sufficient is appropriated to the Comptroller of the Treasury for a longitudinal pre-kindergarten study.

Item 2. Higher Education Lottery Scholarship award amounts for the 2008-2009 academic year shall be:

(a) \$4,000 for an eligible student under the HOPE scholarship award pursuant to § 49-4-914(a);

(b) \$2,000 for an eligible student under the HOPE scholarship award pursuant to § 49-4-914(b);

(c) \$1,500 for an eligible student under the ASPIRE need-based supplemental award pursuant to § 49-4-915;

(d) \$1,000 for an eligible student under the General Assembly Merit Scholar supplemental award pursuant to § 49-4-916;

(e) \$2,000 for an eligible student under the Wilder-Naifeh Technical Skills Grant pursuant to § 49-4-921;

(f) Pursuant to the provisions of Section 49-4-920, the award amount for an eligible student under the Tennessee HOPE access grant shall be \$2,750 at four-year schools and \$1,750 at two-year schools; and

(g) The award amount for an eligible student under the Tennessee HOPE foster child tuition grant shall be determined under the provisions of Section 49-4-933.

Item 3. From interest earnings attributable to the Lottery for Education Account, there is appropriated the sum of \$6,800,000 to the Tennessee Student Assistance Corporation for the sole purpose of supplementing Tennessee Student Assistance Awards.

Item 4. A sum sufficient, not to exceed the available balance in the LEAP Grant Fund, is appropriated from the fund for the purpose of awarding 3-year grants in accordance with the provisions of Senate Bill No. 2809/House Bill No. 2975, if such bill becomes law.

Item 5. From the Lottery for Education Account, the sum of \$90,000,000 shall be transferred to the Energy Efficient Schools Council Fund on July 1, 2008; provided that the transfer is contingent upon the availability of excess funds from net lottery proceeds, after the funding of higher education scholarships, and upon Senate Bill No. 4039/House Bill No. 4039, relative to energy efficient capital outlay projects for K-12 educational facilities, becoming law. The availability of excess funds shall be determined by the Commissioner of Finance and Administration prior to the distribution of any excess funds in accordance with Item 1 of this section. A sum sufficient, not to exceed the available balance in the Energy Efficient Schools Council Fund, is appropriated from the fund for the purpose of the Energy Efficient Schools Initiative. All grants or loans from the fund shall be approved by the State Building Commission prior to the award or issuance of a grant or loan by the Energy Efficient Schools Council.

SECTION 53. From the appropriation made in Section 4 of this act, to the Department of Commerce and Insurance, Division of Insurance, it is the legislative intent to recognize base level funding of \$7,479,700 in the fiscal year ending June 30, 2009. It is further the legislative intent that expenditures in excess of the \$7,479,700 base level shall be funded from the increase in revenues generated by Chapter 333, Public Acts of 2001, which established funding appropriated to the Division of Insurance in the fiscal year ending June 30, 2001, as the base level.

SECTION 54. There are appropriated all tax revenues which are allocated by statute in accordance with the provisions of such statutes. The provisions of this section shall apply to all statutes becoming a law prior to July 1, 2009.

SECTION 55. Notwithstanding any provision of this act to the contrary, a direct appropriation to a non-governmental agency or entity shall not be disbursed until the recipient has filed with the head of the agency through which such disbursement is being made a plan specifying the proposed use of such funds and the benefits anticipated to be derived therefrom. As a prerequisite to the receipt of such direct appropriation, the recipient shall agree to provide to the agency head, within ninety (90) days of the close of the fiscal year within which such direct appropriation was received, an accounting of the actual expenditure of such funds including a notarized statement that the report is true and correct in all material respects; provided, however, that the head of the agency through which such disbursement is being made may require, in lieu of the accounting as provided above, an audited financial statement of the non-governmental agency or entity. A copy of such accounting or audit, as the case may be, shall be filed with the Office of the Comptroller of the Treasury.

SECTION 56.

Item 1. The provisions of this item shall take effect upon becoming law, the public welfare requiring it.

(a) In the fiscal years ending June 30, 2008, and June 30, 2009, the unexpended balances of health care safety net appropriations in Public Acts of 2005, Chapter 503, and in Public Acts of 2006, Chapter 963, and in Public Acts of 2007, Chapter 603, and in this act may be carried forward and hereby are reappropriated for expenditure in the succeeding fiscal year, subject to approval of the Commissioner of Finance and Administration. Provided, however, that payroll savings from Department of Health positions established for the health care safety net shall revert to the general fund.

(b) From the health care safety net reserves carried forward at June 30, 2008, the Commissioner of Finance and Administration is authorized to transfer funds between health care safety net programs and to Cover Tennessee Health Care Programs.

Item 2. All appropriations in this act for the Access Tennessee Program may be used for matching federal funds available, through waiver or otherwise, for expanding premium assistance, subject to the approval of the Commissioner of Finance and Administration.

Item 3. In addition to the appropriations elsewhere in this act, sums sufficient hereby are appropriated to the appropriate programs from the revenues and reserves of CoverTN, AccessTN, Cover Rx, CoverKids, Project Diabetes, and health care safety net programs.

SECTION 57.

Item 1. The departmental revenues appropriated in this act from federal Homeland Security grant programs are subject to the following provisions:

(a) The allotment of these funds is subject to approval of the Commissioner of Finance and Administration, and the distribution among state and local agencies shall be subject to approval of or under procedures of the state Homeland Security Council.

(b) The Commissioner of Finance and Administration is hereby authorized to reallocate appropriations within the affected state agencies and to reallocate Homeland Security appropriations among the affected agencies for the purpose of providing the required state match to these and other federal Homeland Security and bioterrorism grants; to adjust position authorizations among affected departments, offices, and programs for that purpose; and to adjust federal and other departmental revenue estimates accordingly. The commissioner shall file any such reallocations or adjustments with the Fiscal Review Committee and the Office of Legislative Budget Analysis.

Item 2. There are appropriated sums sufficient to the Office of Homeland Security from federal grant funds and to other agencies of state government receiving Homeland Security federal grant funds.

Item 3. In the fiscal year ending June 30, 2009, any unexpended state appropriations made for Homeland Security purposes may be reserved to be carried forward to the next fiscal year. Said reserve is subject to the availability of revenue and to the approval of the Commissioner of Finance and Administration.

Item 4. The appropriation made in Section 1, Title III-22, Item 7, Miscellaneous Appropriations, for Homeland Security Emergency Fund shall not revert to the general fund balance at June 30, 2009.

SECTION 58. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts for the purpose of deleting improvement appropriations and positions that had been recommended in the 2008-2009 Budget Document, and the Commissioner of Finance and Administration shall adjust federal and other departmental revenue estimates accordingly:

Item 1. The appropriations in Section 1, Title III-10, Higher Education, hereby are reduced in the amount of \$23,215,800 for the purpose of deleting a 2 percent salary increase for higher education employees.

Item 2. The appropriation in Section 1, Title III-9, Education – BEP and Other LEA Support, reduced by the following amounts:

- a) \$5,500,000 for group health insurance;
- b) \$86,500,000 for BEP 2.0 improvement;
- c) \$27,800,000 for full-funding of BEP formula;
- d) \$6,700,000 for BEP Growth Fund.

Item 3. The appropriation in Section 1, Title III-9, Education – Early Childhood Education, reduced by \$22,000,000 for the Pre-K program. It is the legislative intent that the remaining improvement of \$3,000,000 is for inflationary costs of the base program.

Item 4. In Section 1, Title III-9, Item 2.1f., Education – Grants-In-Aid, reduced by \$1,000,000 (non-recurring) for the Save the Children literacy grant.

Item 5. In Section 1, Title III-9, Item 2.1f., Education – Grants-In-Aid, reduced by \$1,000,000 (non-recurring) for grants of \$500,000 each to the Future Farmers of America and to the 4-H Foundation.

Item 6. In Section 1, Title III-9, Item 1.3, Education – Governor's Books from Birth Fund, reduced by \$500,000 for grants.

Item 7. In Section 1, Title III-10, Item 3.3a., UT Health Science Center, reduced by \$3,000,000 (non-recurring) for the regional biocontainment laboratory.

Item 8. In Section 1, Title III-10, Lottery for Education Account, reduced by \$18,000,000 for need-based student financial aid. In Section 4, Title III-10, Tennessee Student Assistance Awards, reduced by \$18,000,000.

Item 9. In Section 1, Title III-10, UT Health Science Center, reduced by \$1,000,000 for the Tennessee Mouse Genome Consortium.

Item 10. In Section 1, Title III-1, Item 3, Secretary of State, reduced by \$300,000 (non-recurring) for the Integrated Library Information Management System.

Item 11. In Section 1, Title III-1, Item 5, Comptroller of the Treasury, reduced by \$40,500. It is the legislative intent that from the appropriations made in Section 1, Title III-1, Item 5, the sum of \$40,500 be earmarked to fund the additional position recommended in the Budget for the Ombudsman office.

Item 12. In Section 1, Title III-2, Item 3.4, Finance and Administration – Criminal Justice Programs, reduced \$400,000 (non-recurring) for grants to combat Internet crimes against children.

Item 13. In Section 1, Title III-26, TennCare program, reduced by \$585,800 for Children's Services improvements for a residential provider rate increase. The Department of Children's Services departmental revenue estimate shall be reduced accordingly.

Item 14. In Section 1, Title III-3, Item 4, Agriculture – Forestry Operations, reduced by \$4,822,000 (non-recurring) for firefighting communications equipment.

Item 15. In Section 1, Title III-4, Item 1, Tourist Development, reduced by \$1,000,000 (non-recurring) for the advertising campaign.

Item 16. In Section 1, Title III-5, Item 31, Environment and Conservation – Tennessee Heritage Conservation Trust Fund, reduced by \$10,000,000 (non-recurring) for land purchases and conservation.

Item 17. In Section 1, Title III-3, Item 8, Agriculture – Agricultural Resources Conservation Fund, reduced by \$2,250,000 for the allocation of the real estate transfer tax.

Item 18. In Section 1, Title III-5, Item 27, Environment and Conservation – Local Parks Acquisition Fund, reduced by \$2,624,400 for the allocation of the real estate transfer tax.

Item 19. In Section 1, Title III-5, Item 28, Environment and Conservation – State Lands Acquisition Fund, reduced by \$2,250,000 for the allocation of the real estate transfer tax.

Item 20. In Section 1, Title III-6, Item 4, Wildlife Resources – Wetlands Acquisition Fund, reduced by \$4,875,600 for the allocation of the real estate transfer tax.

Item 21. In Section 1, Title III-5, Item 6, Environment and Conservation – Tennessee State Parks, reduced by \$333,200 and three (3) positions for the Bicentennial Mall.

Item 22. In Section 1, Title III-5, Item 16, Environment and Conservation – Water Pollution Control, reduced by \$1,750,000 (non-recurring) including \$1,500,000 for a watershed restoration fund and \$250,000 for an impact study on the New River watershed.

Item 23. In Section 1, Title III-5, Item 20, Environment and Conservation – Water Supply, reduced by \$2,000,000 (non-recurring) for water resources management and planning.

Item 24. In Section 1, Title III-8, Item 4, Economic and Community Development – FastTrack Infrastructure and Job Training Assistance, reduced by \$10,000,000 (non-recurring) for grants.

Item 25. In Section 1, Title III-8, Item 2, Economic and Community Development – Business Development, reduced by \$1,250,000 (non-recurring) for a grant to the Rural Opportunity Fund.

Item 26. In Section 1, Title III-15, Item 2, Military – Army National Guard, reduced by \$1,200,000 and sixty-four (64) positions for the National Guard Youth Challenge program.

Item 27. In Section 1, Title III-15, Item 4, Military – TEMA, reduced by \$201,400 and four (4) positions for the statewide communications interoperability program.

Item 28. In Section 1, Title III-16, Item 3.5, Health – Community and Medical Services, reduced by \$940,000 for the medical examiners program. From the appropriation in the cited Item, an amount of \$60,000 is appropriated to implement Senate Bill No. 4201/House Bill No. 4200, if the bill becomes law.

Item 29. In Section 1, Title III-16, Item 3.5, Health – Community and Medical Services, reduced by \$5,000,000 (non-recurring) for the comprehensive tobacco-cessation program.

Item 30. In Section 1, Title III-16, Item 3.1, Health – Health Services Administration, reduced \$6,000,000 (non-recurring). There is hereby appropriated \$6,000,000 from the TennCare Reserve for primary care clinics.

Item 31. In Section 1, Title III-17, Item 3.1, Human Services – Community Services, reduced by \$100,000 (non-recurring) for the individual development accounts program.

Item 32. In Section 1, Title III-20, Safety, reduced by \$2,786,500 and seventy-five (75) positions to delete funding for driver's license administrative revocation legislation (Senate Bill No. 4196/House Bill No. 4213).

Item 33. In Section 1, Title III-20, Item 2, Safety – Driver License Issuance reduced by \$6,500,000 (non-recurring) and in Section 4, Title III-20, Item 2, Safety, reduced by \$10,000,000 to meet the requirements of the federal REAL ID Act.

Item 34. In Section 1, Title III-23, Item 5, Children's Services – Child and Family Management, reduced by \$283,000 (non-recurring) for the 211 program grant.

Item 35. In Section 1, Title III-23, Item 3, Children's Services – Custody Services reduced by \$1,386,000 for a residential provider rate increase.

SECTION 59. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts for the purpose of deleting improvement appropriations and positions that had been recommended in the 2008-2009 Budget Document, and the Commissioner of Finance and Administration shall adjust federal and other departmental revenue estimates accordingly:

Item 1. In Section 1, Title III-10, Item 1.3, Tennessee Student Assistance Awards, reduced by \$9,000,000 for such program.

Item 2. In Section 1, Title III-10, Item 5.1, Lottery for Education Account, reduced by \$5,300,000 for lottery scholarship retention.

SECTION 60. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts for the purpose of reducing base appropriations and positions that had been recommended in the 2008-2009 Budget Document, and the Commissioner of Finance and Administration shall adjust federal and other departmental revenue estimates accordingly.

Item 1. From the appropriations in Section 1 and Section 4 of this act, but excluding the appropriations in Titles I, II, III-1 and III-10 in each section, it is the legislative intent to reduce appropriations in an amount equivalent to a net reduction in recurring state general fund revenue requirements of \$64,400,000.

There is hereby appropriated a sum sufficient from reserves to achieve the savings required by a voluntary separation plan to be developed by the Commissioner of Finance and Administration and the Commissioner of Human Resources, in coordination with other appropriate departments and agencies, pursuant to their statutory authority.

Benefits included in this voluntary separation plan may include, but not be limited to, the following:

(1) a base payment plus an amount based on years of service and capped at an amount to be determined;

(2) extended health insurance benefits for a period of months to be determined, or a cash option to buy into COBRA health coverage, or a cash option equivalent to the extended health insurance benefit; and

(3) college tuition assistance for 2 years to be capped at the average of the highest four-year public Tennessee college undergraduate level; provided, however, that such assistance shall only be provided for periods of actual attendance within a period of time to be determined by the Commissioner of Finance and Administration.

Subject to approval of the Commissioner of Finance and Administration and only to the extent permitted by law, department and agency heads are authorized to reorganize department and agency programs to achieve the annualized savings required by this section; provided that no state office located in a non-Metropolitan Statistical Area shall be permanently, or temporarily, closed or relocated without submission of a plan for reorganization to the Chairs of the Senate and House Finance Committees. The Commissioner of Finance and Administration is authorized to transfer appropriations and positions between the organizational units of a department or agency to effect such internal reorganizations and to adjust federal and other departmental revenues accordingly.

The Commissioner of Finance and Administration and the Commissioner of Human Resources shall submit a copy of the voluntary separation plan to the Speaker of the Senate, Speaker of the House of Representatives, and Chairs of the Finance, Ways and Means Committees of the Senate and House of Representatives.

To the extent that employee reductions are required after implementation of the voluntary separation plan as provided by this act, it is the legislative intent that no reduction in force or layoff notices shall be distributed prior to January 1, 2009.

Item 2. In Section 1, Title III-9, Item 2.1b, Education – Career Ladder, reduced by \$4,519,200.

Item 3. In Section 1, Title III-9, Item 2.1f, Education – Grants-In-Aid, reduced by \$500,000 for public television grants and reduced by \$250,000 for the Science Alliance grants.

Item 4. In Section 1, Title III-9, Education, reduced in the following amounts for grants:

- a) \$210,000 for One-room Drop-in School;
- b) \$129,700 for Tennessee School Board Association;
- c) \$100,100 for Governor's Study Partners Program; and
- d) \$ 20,000 for Miss Tennessee grant.

Item 5. In Section 1, Title III-10, Higher Education, reduced by \$55,800,000. It is the legislative intent that the Tennessee Higher Education

Commission (THEC) prepare a schedule allocating each reduction among such institutions and programs.

Item 6. In Section 1, Title III-2, Item 2.10, Tennessee Housing Development Agency, reduced by \$350,000.

Item 7. In Section 1, Title III-2, Item 3, Finance and Administration, reduced by \$200,000 for the Criminal Justice Coordinating Council.

Item 8. In Section 1, Title III-2, Item 3, Finance and Administration, reduced by \$75,000 for the Ujima House grant.

Item 9. In Section 1, Title III-26, TennCare, reduced by \$80,000,000 to delay part of the medically needy expansion.

Item 10. In Section 1, Title III-26, TennCare, reduced by \$100,000 for CPORT grant to Children's Services.

Item 11. In Section 1, the general fund share of savings resulting from abolishment of the State Publications Committee established by Tennessee Code Annotated, Section 12-7-101, if the commission is abolished by law. The appropriation of departmental revenue to the Department of General Services is reduced by \$160,300, if Senate Bill No. 2639/House Bill No. 2637 becomes law. The Commissioner of Finance and Administration is authorized to reduce appropriations in Section 1 accordingly.

Item 12. In Section 1, Title III-2, Item 5, General Services – Purchasing, reduced by \$22,000.

Item 13. In Section 1, Title III-24, Board of Probation and Parole, it is the legislative intent that the appropriation in the amount of \$3,125,900 for GPS offender tracking be non-recurring.

Item 14. In Section 1, Title III-3, Agriculture, reduced by \$5,000,000 for the Agricultural Enhancement program. This reduction is from the general fund source.

Item 15. In Section 1, Title III-3, Agriculture, reduced \$3,889,500 for boll weevil eradication.

Item 16. In Section 1, Title III-5, Environment and Conservation, reduced by \$350,000 for the Youth Conservation Corps.

Item 17. In Section 1, Title III-7, Correction – Sex Offender Treatment Program, reduced by \$50,000. This reduction is from the general fund source.

Item 18. In Section 1, Title III-7, Correction – Brushy Mountain Correctional Complex, it is the legislative intent that the appropriation in the amount of \$8,734,500 is non-recurring.

Item 19. In Section 1, Title III-7, Correction – State Prosecutions, reduced by \$800,000 and to be replaced by court cost revenue.

Item 20. In Section 1, Title III-16, Health reduced by the following amounts:

a) \$424,000 for dental health clinical services;

b) \$162,800 for nutrition services education and public information; and

c) \$190,000 for Men's Health Awareness Network.

Item 21. In Section 1, Title III-20, Safety, reduced by \$1,000,000 (non-recurring) for highway patrol equipment.

Item 22. In Section 1, Title III-23, Children's Services, reduced by the following amounts:

a) \$294,700 for adoption support services and \$300,000 for foster and kinship home studies, and

b) \$862,900 for CPORT (Children's Program Outcome Review Team). The Commissioner of Finance and Administration shall reduce the departmental revenue estimate in the Commission on Children and Youth by \$1,462,900 and reduce authorized full-time positions of the commission by seventeen (17).

SECTION 61. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. Appropriations made to the Department of Health are reduced by:

(a) \$686,800 for Nurse Triage; and

(b) \$90,000 for Strike Out Stroke.

The Commissioner of Finance and Administration is authorized to make necessary adjustments to effectuate the provisions of this section.

SECTION 62. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. There hereby is appropriated the following amounts in the fiscal year ending June 30, 2008, which shall be in addition to the appropriations made in Public Acts of 2007, Chapter 603; and the Commissioner of Finance and Administration is authorized to allot and transfer these appropriations to the appropriate expenditure account within each department, agency, or branch of government and to adjust authorized positions and federal aid and other departmental revenues accordingly:

Item 1. To Miscellaneous Appropriations, the sum of \$500,000 (non-recurring) for expenses of the presidential primary.

Item 2. To the TennCare program from the TennCare reserve the sum of \$1,800,000 (non-recurring) to fund a provider rate adjustment for Mental Retardation programs.

Item 3. To Mental Health and Developmental Disabilities, the sum of \$2,400,000 (non-recurring) for the mental health institutes to provide for care of residents with mental retardation disabilities.

SECTION 63. In addition to the appropriations in Section 1 of this act, except as otherwise provided herein, the following amounts hereby are appropriated, and the Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust departmental revenues and authorized positions accordingly:

Item 1. To the Department of Economic and Community Development, a sum sufficient contingency appropriation not to exceed \$100,000,000, for the sole purpose to provide funding for infrastructure and training costs associated with certain FastTrack project grants. Said appropriations shall be contingent on the size and economic impact of the FastTrack project or projects and shall be subject to approval of the Commissioner of Finance and Administration.

No expenditure of an appropriation made pursuant to this Item shall occur until written notice of the appropriation is submitted by the Commissioner of Finance and Administration to the Speaker of the Senate and the Speaker of the House of Representatives and until said Speakers have acknowledged in writing receipt of such written notice.

Item 2. To the University of Memphis the sum of \$27,300 to support the West Tennessee Seismic Safety Commission.

Item 3. To the Department of Education the sum of \$2,000,000 (non-recurring) for K-4 math teachers professional development to be granted to Tennessee State University for such programs at historically black colleges and universities in Tennessee.

Item 4. To the Arts Commission the sum of \$517,200 from dedicated revenue for the following purposes:

- a) \$45,000 to host the National Assembly of State Arts Agencies meeting in Chattanooga;
- b) \$200,000 to match the federal grant for Value Plus Schools;
- c) \$86,100 to fund the student ticket subsidy program;
- d) \$86,100 to fund the Arts Build Communities program; and
- e) \$100,000 (non-recurring) to fund space improvements.

Item 5. There is hereby appropriated to the TennCare program, the sum of \$5,000,000 from the TennCare reserve for the sole purpose of providing nursing home diversification grants.

Item 6. To the Department of Agriculture the sum of \$286,800 (non-recurring) to replace timber salvage revenue that reverted to the general fund balance at June 30, 2007.

Item 7. To the Department of Correction the sum of \$8,219,000 to fund health contract services.

Item 8. To the Department of Economic and Community Development, FastTrack Infrastructure and Job Training Assistance program, the sum of \$3,000,000.

Item 9. To the Department of Commerce and Insurance the sum of \$120,000 to fund the firefighters' pay supplement.

Item 10. To the Department of Military the sum of \$5,900,000 (non-recurring) to fund TEMA disaster relief grants.

Item 11. To the Department of Human Services the sum of \$550,000 (non-recurring) in the Child Support program for Shelby County Juvenile Court. The unexpended balance of the appropriation in Section 12, Item 79, Public Chapter 603 of 2007 shall not revert to the general fund at June 30, 2008.

Item 12. To the Cover Tennessee Health Care Programs the sum of \$11,238,100 to correct a budget reduction error.

Item 13. To the Miscellaneous Appropriations the sum of \$250,000 (non-recurring) for the sole purpose of making a grant to Belmont University to support the Town Hall Presidential Debate on October 7, 2008.

Item 14. To the Emergency and Contingency Fund the sum of \$750,000 (non-recurring).

Item 15. To the Department of Finance and Administration – Mental Retardation the sum of \$3,300,000 (recurring) to provide for debt service on bonds for the construction of ICF-MR group homes in the Arlington area if bonds are authorized in Senate Bill No. 4215/House Bill No. 4218, as amended, for such purpose and if such bill becomes law. Any unexpended funds for this purpose may be transferred to the State Funding Board and the Board is directed to cancel bonds in said amount.

Item 16. The Commissioner of Finance and Administration is authorized to approve an adjustment in rates charged by General Services, Motor Vehicle Management, and to reallocate state appropriations between departments and agencies and to adjust federal aid and other departmental revenue accordingly.

Item 17. In addition to the appropriation in Section 1, Title III-30, Item 5.5, State Highway Construction, there is appropriated the sum of \$138,000,000 to

the Department of Transportation for the construction of State Route 840. This appropriation is subject to Senate Bill No. 4268/House Bill No. 4267, a bond authorization in the amount of \$138,000,000, becoming law.

SECTION 64. In addition to the appropriations in Section 1 of this act, except as otherwise provided herein, the following amounts hereby are appropriated, and the Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust departmental revenues and authorized positions accordingly. The appropriation in each Item is subject to the bill cited in that Item becoming a law.

Item 1. To the Department of Safety, \$3,600 for Senate Bill No. 2907/House Bill No. 2901, relative to issuance of a temporary driver's license or a photo identification license. It is the legislative intent to recognize an increase of \$30,500 in driver's license revenue.

Item 2. To the Tennessee Veterans Home Board a sum sufficient estimated to be \$5,500 is earmarked from the board's revenue, for Senate Bill No. 3919/House Bill No. 3795, relative to an increase in the number of board members.

Item 3. To the Department of Children's Services, the sum of \$17,000 is earmarked for Senate Bill No. 4143/House Bill No. 4099, relative to the Interstate Compact for Juveniles.

Item 4. To the Department of Correction, Sentencing Act of 1985, \$6,900 for the incarceration cost of Senate Bill No. 4150/House Bill No. 4106, relative to a probation and parole officer having sexual contact with a probationer or parolee.

Item 5. To the Board of Probation and Parole, for Senate Bill No. 4151/House Bill No. 4107, relative to collection of unpaid supervision fees, it is the legislative intent to recognize an increase of \$315,100 in supervision fees collected by the board.

Item 6. To the Department of Commerce and Insurance, Regulatory Boards, for Senate Bill No. 4172/House Bill No. 4128, relative to conversion of certain regulatory licenses from annual to biennial renewal. It is the legislative intent to recognize a decrease in state appropriation in the amount of \$3,600 funded by dedicated revenues.

Item 7. To the Department of Revenue, the sum of \$80,000 (non-recurring), for Senate Bill No. 4173/House Bill No. 4129, relative to the technical corrections tax bill.

Item 8. To the Department of Mental Health and Developmental Disabilities, \$158,800 for Senate Bill No. 4183/House Bill No. 4146, relative to medication administration. It is the legislative intent to recognize a loss of \$158,800 in departmental revenue.

Item 9. To the Department of Revenue, \$30,400 (non-recurring) and to the Tennessee Bureau of Investigation, \$520,300 from dedicated revenue and three (3) full-time positions for Senate Bill No. 4184/House Bill No. 4147, relative to creating the TBI Drug Chemistry Unit Testing Fund.

Item 10. To the Department of Correction, Sentencing Act of 1985, \$6,900 for the incarceration cost of Senate Bill No. 4188/House Bill No. 4151, relative to making false statements or representations to the TennCare program.

Item 11. To the Department of Correction, Sentencing Act of 1985, \$410,000 for the incarceration cost of Senate Bill No. 4199/House Bill No. 4197, relative to sex offender registry information. It is the legislative intent to recognize dedicated revenue of \$412,500 and an appropriation of \$273,700 to the Tennessee Bureau of Investigation.

Item 12. To the Department of Correction, Sentencing Act of 1985, \$3,400 for the incarceration cost of Senate Bill No. 4203/House Bill No. 4203, relative to the Tennessee Insurance Producer Licensing Act.

SECTION 65. It is the legislative intent to recognize the need to restructure the long-term care delivery system in the State of Tennessee. From the reallocated and additional appropriations in this section, there is hereby appropriated a sum sufficient to implement Senate Bill No. 4181/House Bill No. 4144, the Long-Term Community Choices Act of 2008, subject to the bill becoming law. The Commissioner of Finance and Administration is authorized to allocate and transfer funds, as provided in this section, to the appropriate organizational units and to adjust departmental revenues accordingly.

Item 1. The appropriation in Section 1, Title III-26, Item 3, Waiver and Crossover Services, is reduced by \$4,601,600.

Item 2. In addition to the appropriation in Section 1, Title III-2, Item 2.2, Commission on Aging and Disability, there is hereby appropriated the sum of \$3,892,800 for the Options program to provide home-delivered meals, personal care services, homemaker services, case management, and information and referral.

Item 3. In addition to the appropriation in Section 1, Title III-2, Item 2.2, Commission on Aging and Disability, there is hereby appropriated the sum of \$80,000 for a pilot project on self-directed care or to fund the implementation of Senate Bill No. 1157/House Bill No. 941, relative to self-directed care, if such bill becomes law. If the bill does not become law the provisions of sub-items (a), (b), and (c) shall apply to the pilot project:

a) The Commission on Aging and Disability shall develop a pilot project in a county or counties of one of the area agencies on aging and disability (AAAD) and shall enter into a contract with the selected AAAD in order to implement the project. The project shall utilize the services of an aging and disability resource center located in the AAAD. Subject to any approvals required from the commission by the contract, a working group from the selected AAAD shall design the project and determine whether to use a program manager in the project. In selecting the AAAD the

commission shall consider any administrative and oversight efficiencies that locating the project in any particular AAAD might afford the project.

b) The project shall offer families with a member with a disability who requires long-term supports and services and individuals with a disability who require long-term supports and services opportunities to direct their own services. The families and individuals shall exercise choice, control and responsibility for their services within a cost- neutral framework.

c) The project may involve the following: (1) personal control and choice; (2) encouragement of cost-effective decision-making in the purchase of supports and services; (3) allowing eligible families and individuals to receive a cash allowance or an individual budget to obtain personal assistant services and related supports; and (4) providing fiscal agent and supportive broker services to sustain individuals and families in directing their own services.

Item 4. In addition to the appropriation in Section 1, Title III-16, Item 2.1, Bureau of Health Licensure and Regulation, there is hereby appropriated the sum of \$435,800 for Senate Bill No. 3150/House Bill No. 3332, relative to residential homes for the aged, if such bill becomes law.

Item 5. In addition to the appropriation in Section 1, Title 1, Item 1, Legislature, there is hereby appropriated the sum of \$193,000 for Senate Bill No. 4181/House Bill No. 4144, for the Long-Term Care Oversight Committee, if such bill becomes law.

SECTION 66. It is the legislative intent to recognize loss of federal funding pursuant to the promulgation of final rules (72 FR 68077) by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services regarding Targeted Case Management Services, and to authorize the Commissioner of Finance and Administration to make reductions, transfers, and reallocations as provided in this section. The Commissioner of Finance and Administration is further authorized to abolish positions as necessary and to adjust departmental revenues accordingly. Pursuant to Senate Bill No. 2220/House Bill No. 2279 becoming law, position abolishments shall be in accordance with the provisions of the act.

Item 1. The appropriation in Section 1, Title III-26, Item 2, TennCare Services, is reduced by \$39,419,200.

Item 2. In addition to the appropriations in Section 1, Title III-23, there is hereby appropriated the sum of \$39,419,200 to the Department of Children's Services for case management. The Commissioner of Finance and Administration is authorized to allocate and transfer funds to the appropriate organizational units.

Item 3. From the appropriations made in this act for the Department of Children's Services in Section 1, Title III-23, the Commissioner of Finance and Administration is authorized to reallocate and transfer funds and to adjust departmental revenues accordingly.

SECTION 67. This section shall take effect upon becoming a law, the public welfare requiring it. It is the legislative intent to fulfill the essential function and constitutional responsibility of state government to orderly close fiscal years 2007-2008 and 2008-2009. Under the provisions of Senate Bill No. 4186/House Bill No. 4149, if such bill becomes a law, and notwithstanding any provision of this act to the contrary, the Commissioner of Finance and Administration is authorized to deny carry-forwards for and to transfer funds from the following enumerated funds, reserve accounts, or programs to the state general fund for the sole purpose of meeting the requirements of funding state government for the fiscal years ending June 30, 2008, and June 30, 2009, according to the following schedule; and for that purpose such funds hereby are appropriated to the general fund; provided however, that a sum sufficient not to exceed \$100,000,000 shall not be transferred from such funds to the general fund until written notice is provided, as required elsewhere in this act, relative to the contingency appropriation not to exceed \$100,000,000 for certain FastTrack projects; provided, further, that the sequence specified in this section may be repeated, to the extent necessary, in order to accomplish the purpose set forth herein; and provided, further, that the Commissioner of Finance and Administration shall provide written notice of transfers pursuant to this section to the Chairmen of the Senate and House Finance, Ways and Means Committees at least three business days before any such transfer:

Item 1. From the following funds, to the extent available in the reserve for unencumbered balance and from additional unexpended balances:

(a) Department of Safety handgun permit fees, \$5,541,800; TBI handgun permit fees, \$1,223,900; and, in both cases, any additional unexpended balances; and

(b) Tennessee Advisory Commission on Intergovernmental Relations reserve; Probation and Parole GPS tracking system; Correction Department information systems; Miscellaneous Appropriations for LAN consolidation and for case management and tracking system (CMATS); Human Rights Commission operational reserve; Department of Finance and Administration for sexual assault program, domestic assault defendant fines, and Safe Neighborhoods Act of 1998; Department of Human Resources leadership development initiative; Board of Probation and Parole community corrections program; Department of Agriculture, Regulatory Services, for farm improvement, and Market Development, for farm improvement; Historical Commission for projects; Department of Economic and Community Development for film and television incentive fund; Department of Education for coordinated school health, Safe Schools Act of 1998, and early intervention services; Department of Mental Health and Developmental Disabilities for health care safety net; Department of Military for tuition assistance; Department of Health, Health Services Administration for health care safety net; Communicable and Environmental Disease Services for health care safety net; Miscellaneous Appropriations for performance-based budgeting; and Department of Children's Services for needs assessment.

Item 2. From general fund statutory reserves, to the extent available: Court System, divorcing parent mediation and judicial information system; Public Defenders, indigent defense fund; Health Services and Development Agency;

Department of Finance and Administration for the Department of Revenue title and registration system, an amount not to exceed \$10,000,000 in addition to \$10,000,000 appropriated for REAL ID driver's license system, provided, however, that, if \$10,000,000 is not appropriated elsewhere in this act from this source for REAL ID, an amount not to exceed \$20,000,000 may be transferred to the general fund pursuant to this section; Probation and Parole Board supervision and rehabilitation fees; Labor and Workforce Development, employment security special administrative fund, TOSHA reserve, and uninsured employers fund; TBI, handgun purchase background checks, expungement fees, and intoxicant testing fund; Department of Commerce and Insurance, insurance fees and the unexpended balance of fees at June 30, 2008.

From Department of Financial Institutions, bank fees, amounts to be determined at June 30, 2008, and June 30, 2009.

Item 3. From special revenue fund statutory reserves, to the extent available: Department of Environment and Conservation, used oil collection program; hazardous waste remedial action fund; underground storage tanks; environmental protection fund; and Department of Correction, sex offender treatment fund.

Item 4. Notwithstanding the provisions of other sections of this act to the contrary, from other reserves enumerated in this act, an amount or amounts to be determined, subject to approval of the controlling state officials.

Item 5. From the other funds, reserve accounts, and programs enumerated in the bill cited in this section and from other reserves for unencumbered balance and capital outlay, an amount equivalent to a pro-rata share, unless otherwise determined by the Commissioner of Finance and Administration not to be in the best interest of the agency program, shall be transferred to the general fund for the remaining need to meet the requirements of funding the operations of state government for the fiscal years ending June 30, 2008, and June 30, 2009. Pro-rata shares shall be determined by the Commissioner of Finance and Administration by comparing the uncommitted balances of each such enumerated fund, reserve account, or program with the total remaining need for closing the fiscal year.

Item 6. From the TennCare reserve, to the extent that the reserves enumerated above do not satisfy the remaining need, an amount to be determined by the Commissioner of Finance and Administration.

Item 7. From the reserve for revenue fluctuations established by Tennessee Code Annotated, Section 9-4-211, and from the amount reserved for deposit to the fund at June 30, 2008, to the extent that the reserves enumerated above do not satisfy the remaining need.

SECTION 68. Other provisions of this act to the contrary notwithstanding, the General Assembly recognizes that extraordinary actions by the Commissioner of Finance and Administration may be required to achieve the over-appropriation level provided herein, to manage the base budget reductions reflected in this act, and to fulfill

the constitutional duty of state government to orderly close fiscal year 2008-2009. It, therefore, is the legislative intent that the Commissioner of Finance and Administration be authorized to defer and reduce expenditures and otherwise effect savings of funds appropriated herein; provided, however, that the authority granted by this section shall be exercised only insofar as permitted by law and in accordance with applicable law and in accordance with the provisions of Section 24 and provided further that the authority granted by this section shall not extend to appropriations made under Section 1, Titles I and II herein.

SECTION 69. In addition to the appropriations in Section 1 of this act, except as otherwise provided herein, the following amounts are appropriated for implementation of legislation, subject to the specified bill becoming a law, and the Commissioner of Finance and Administration may allocate these appropriations to the appropriate organizational units and adjust federal and other departmental revenues and authorized positions accordingly.

Item 1. To the Alcoholic Beverage Commission, a sum sufficient for Senate Bill No. 3930/House Bill No. 3861 which requires the Alcoholic Beverage Commission to deposit as general fund revenue rather than departmental revenue any fine collected from a person whose license or permit was revoked or suspended. The appropriation of departmental revenue in Section 4, Title III-2, Item 1.3 shall be reduced in an equivalent amount.

Item 2. To the Foreign Language Institute, the appropriation in Section 1, Title III-10, Item 1.6, for Senate Bill No. 3954/House Bill No. 3911, relative to the administration of the Foreign Language Institute. It is further the legislative intent that any unexpended balance of fees is hereby reappropriated in the 2008-2009 fiscal year and shall be carried forward in a reserve into the fiscal year beginning July 1, 2008.

Item 3. To the Secretary of State, a sum sufficient from the Help America Vote Act reserve, for Senate Bill No. 1363/House Bill No. 1256 relative to paper ballots, if such bill becomes law.

SECTION 70.

Item1. It is the legislative intent to recognize additional reversions in fiscal year 2008-2009 according to the following schedule:

Legislature	\$ 1,400,000
Fiscal Review Committee	\$ 65,000
Attorney General and Reporter	\$ 500,000
District Attorneys General Conference	\$ 400,000
Secretary of State	\$ 957,000
District Public Defenders Conference	\$ 190,000
Comptroller of the Treasury	\$ 2,000,000
Court System	\$ 500,000
Tennessee Regulatory Authority	\$ 200,000

Item 2. From funds available in the statutory reserve fund created in Tennessee Code Annotated, Section 4-31-108, the Commissioner of Finance and Administration, with the consent of the Comptroller of the Treasury, is authorized to transfer the sum of \$500,000 to the general fund.

Item 3. From funds available in the State Loans Program fund the Commissioner of Finance and Administration, with the consent of the Comptroller of the Treasury, is authorized to transfer the sum of \$900,000 to the general fund.

Item 4. The Comptroller of the Treasury, with the approval of the Commissioner of Finance and Administration, is hereby authorized to transfer any excess loan repayments attributable to community provider loans to the general fund.

Item 5. In addition to, and as a supplement to, any authority under existing law, the Tennessee Local Development Authority is hereby authorized to recover direct and indirect cost of administering loans made under the revolving loan programs authorized by the provisions of Title 68, Chapter 221; provided, however, administrative charges shall not exceed fifteen basis points of the outstanding balance of any such loan annually. Any revenue collected pursuant to this provision shall be used by the authority to offset its administrative costs.

Item 6. There is hereby appropriated a sum sufficient not to exceed \$5,000 from funds available to the Tennessee Housing Development Authority to the division of bond finance in the office of Comptroller of the Treasury to offset the division's expenses related to the programs and activities of the Tennessee Housing Development Authority.

Item 7. It is the legislative intent that the budget proposed by the Governor for fiscal year 2009-2010 include sufficient funds to plan, develop and implement a statewide wireless interoperable communications system. Such a system could be accessed and used at the state and local levels to enable government to respond to any threat to the safety and security of Tennessee citizens in more effective and expeditious manner as envisioned by Executive Order 49 signed the 29th day of August 2007. It is also the legislative intent that all available federal funds should be captured as expeditiously as possible to mitigate additional state revenue requirements for this project and the wireless interoperable communication system be given priority on all federal funds available for such purpose. It is further the legislative intent that the Commissioner of Finance and Administration, in consultation with the Comptroller of the Treasury, the Speaker of the Senate and the Speaker of the House of Representatives, is hereby authorized to expend any available fiscal year 2008-2009 funds included in this act to plan, develop and implement a statewide wireless interoperable communications system.

SECTION 71.

Item 1. Notwithstanding any other provision of this act to the contrary, in addition to all other appropriations made by the provisions of this act, there is appropriated the sum of \$19,683,600 (non-recurring) for the purpose of funding a

one-time, flat-rate salary bonus of \$400 for state employees and employees of public higher education. It is the legislative intent that such employees shall receive the salary bonus authorized by this item on or about October 1, 2008; that such bonus shall be paid in addition to all other compensation increases appropriated by any other provision of this act; and that amounts paid under this item shall be included as earnable compensation for retirement purposes. This item does not apply to employees in positions which come under the provisions of a statutorily mandated pay plan if the employees who come under the provisions of a statutorily mandated plan are paid in accordance with the provisions of such statutory plan. This item does not apply to state employees and employees of public higher education with less than three (3) years of creditable state service as of October 1, 2008.

Item 2. Notwithstanding any provision of this act to the contrary, in addition to all other appropriations made by the provisions of this act, there is appropriated the sum of \$24,627,600 (non-recurring) for the purpose of funding a one-time, flat-rate bonus for all licensed personnel within local education agencies for fiscal year 2008-2009. It is the legislative intent that each person eligible for such bonus shall receive an equal share. The Commissioner of Education shall develop a plan for distribution of such amount to achieve this intent, with such plan subject to approval of the Commissioner of Finance and Administration. It is further the legislative intent that such bonus shall be paid on or about October 1, 2008; that such bonus shall be paid in addition to all other compensation increases appropriated by any other provision of this act; and that amounts paid under this item shall be included as earnable compensation for retirement purposes.

SECTION 72. The funds appropriated to the Department of Health for family planning programs for disbursement to any organization, public or private, engaged in providing family planning services in accordance with all federal requirements shall be disbursed with priority given to Tennessee public health departments.

SECTION 73. It is hereby declared to be the legislative intent that the Tennessee Higher Education Commission shall, as part of the budget recommendation to the Governor each year, provide estimates of likely increases in student fees at various levels of state appropriations varying from zero increase in state appropriations to full funding of the Commission's recommendations. It is further the intent of the General Assembly that the Commission include within its recommendations the total revenues expected to be available to each higher education institution for educational and general purposes (including state appropriations, student fees and any other available funds), compared to total educational and general revenues recommended for each institution under the Commission's formula at full funding.

SECTION 74. The Tennessee Code Commission is requested to place an appropriate, permanent note following the codification of any public act which is codified and which has not received constitutionally required first year's funding through the provisions of this act.

SECTION 75. If any provisions of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or

applications of this act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 76. No expenditure of public funds pursuant to this act shall be made in violation of the provisions of Title VI of the Civil Rights Act of 1964, as codified in 42 United States Code 2000(d).

SECTION 77. This act shall take effect July 1, 2008, the public welfare requiring it; provided, however, that any provision of this act which authorizes prior or immediate expenditures and any section or item which specifies an immediate effective date shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 21, 2008



RON RAMSEY
SPEAKER OF THE SENATE



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 23rd day of June 2008



PHIL BREDESEN, GOVERNOR